

INSIDE: THE SAGA OF THE NEWEST BOAT PEOPLE

# Maclean's

CANADA'S WEEKLY LIVING MAGAZINE

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## 'Fabulous Fergie'



The Duchess of York  
last week in  
Thunder Bay





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## COVER

### Fabulous Fergie

When the Duke and Duchess of York made their first appearance in Canada together last week, they were under heavy scrutiny by journalists who were waiting for the slightest slipup in royal decorum. But it did not take long for the couple to win Canadians' hearts and transform the tour into an unabashed love-in for "Fabulous Fergie." — *Page 28*

COVER PHOTO BY GUY LAWRENCE FOR MACLEAN'S



### Spreading the faith

As the first of 11 U.S.-flagged Kuwait tankers prepared to sail into the Persian Gulf, experts debated the threat of Iran's Islamic Revolution to the Arab world. — *Page 14*



### The newest boat people

Another boatload of would-be refugees landed on Canada's East Coast—reigniting the debate over how the country should treat people seeking a new home. — *Page 6*



### 'The back stops here'

Uncharismatic and professional, Rear Admiral John Ponder testified that the President knew nothing of diverting funds from the sale of arms to Iran. — *Page 12*



### A singer's dream realized

On pop singer Whitney Houston's recently released second album, she performs a duet with her mother, Cissy, a respected gospel and blues singer. — *Page 36*

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## Amazon owners

As a person well-acquainted with the needs of the Amazon Indian tribes, I wish to thank you for not promoting the line about "preserving native culture"—which amounts to the creation of human zoos ("An insipid people," *World*, June 29). What makes civilized people of the 20th century think that because these Indians are still living in the Stone Age, they are therefore not the owners of their land? No matter what resources lie beneath the forest floor, it is their land, which they have settled for centuries. Wouldn't it be cruel if they were brought into the 20th century in a hostile way, to find themselves endowed with the kind of wealth that would enable their own modern society and province? Is there any moral justification for murdering them and then reserve to get at the wealth where they now live?

—KEV HARVEY LADDON  
Cambridge, Ont.

## The deterrence debate

After a lengthy debate ("Should the state kill?" *Canoe*, June 26), a number of Parliament voted to continue Canada's ban on capital punishment. Their reasoning went as follows: capital punishment does not deter murder, therefore it should be banned. If those MPs are truly confident about their reasoning, they should now be willing to take their decision a logical step further: the police, courts and prisons do not deter murder, therefore they also should be banned. Obviously not.

—JOHN VIGORIAN  
Toronto



Amazon Indians living the 20th century

Your capital punishment story asks the fundamental question is "whether it is morally right for the state to carry out what amounts to legally sanctioned kidnapping by taking away the freedom of a duly convicted kidnapper. There is a world of difference between the state killing a guilty murderer and a murderer killing an innocent victim—or he didn't you noticed?"

—DAVE CARLTON  
Medford, N.J., Ala.

## Canada's genius

So you finally got around to putting Bryan Adams on the cover ("The superstar," July 6). It's about time. I was offended when I saw *2000* Springsteen and Tina Turner on previous covers. How long does it take for you to recognize Canada's own genius? Who are you just discovering now, Anne Murray?

—DRAIG BOWLAND  
Mississauga, Ont.

## Maritime lament

Allan Fotheringham has administered a painful wound in his July 6 column ("Sometimes they should heave!" by saying that "Vancouver was finally accepted into the CPT [this makes up Canada] a complete country for the first time since the railway hit the Pacific"). And where does that leave the Atlantic provinces? Is there a CPT east of Ottawa? How long will it take people from the other five provinces to recognize that Canada exists from ocean to ocean, not just from ocean to Great Lakes—and that there are three oceans?

—JAMES NEWELL  
Petersburg, Ont.

Letters are clipped and may be condensed. Writers should supply name, address and telephone number. Most correspondence is referred to the Editor. Write to: *Letters*, 1000 Bayview Ave., Suite 100, Toronto, Ont. M7A 1A7.

APPROVED: Toronto Globe and Mail London correspondent John Fraser, 63, as editor of *Saturday Night* magazine (page 44).

SEPARATING: Toronto-born ABC TV World News Tonight anchorman Peter Jennings, 68, and third wife Karl Martin, 38, a writer, after eight years of marriage. They have two children: Ellie, 10, and Christopher, 8. Martin has been with Jennings in the company of *Saturday Night* magazine's Washington Post columnist Richard Cohen, 66.

DIVORCING: Movie star Sylvester Stallone, 41, and his wife of 18 months, Dorothy-Dore actress Brigitte Nielsen, 34, as an editor for the *New York*-based publishing house Farrar, Straus & Giroux, by company president Roger W. Straus. Nielsen, who edited *The New Yorker* for 15 years, was forced to resign in February by new owner L.I. Newhouse. Since joining Straus's firm, Nielsen has edited *Playboy*, *Wink*, *John*, the reminiscences of Gordon B. Harkness widow Edith Harkness, whose husband was a professional fisherman.

CONFIRMED: The appointment of former *New Yorker* magazine editor Bill Thompson, 73, as an editor for the *New York*-based publishing house Farrar, Straus & Giroux, by company president Roger W. Straus. Nielsen, who edited *The New Yorker* for 15 years, was forced to resign in February by new owner L.I. Newhouse. Since joining Straus's firm, Nielsen has edited *Playboy*, *Wink*, *John*, the reminiscences of Gordon B. Harkness widow Edith Harkness, whose husband was a professional fisherman.

THREE: American Indian activist and convicted criminal Robert Solomon, 38, by Canadian immigration authorities. Ronald Smith, in Vancouver, after 30 years in prison. Solomon fled from the United States in 1982 two days before he was to be sentenced for racketeering, arson and kidnapping in connection with the 1982 murder of a Canadian police officer. He was in 1983 for eventual extradition but he received a justice status last week under a justice designed to protect people from persecution for reasons of race, religion, nationality, social group or political beliefs.

GOSS: Dr. Thomas F. Waddell, 60, co-founder in 1980 of the so-called Gay Games for homosexual athletes and sixth-place finisher in the decathlon at the Mexico City Olympic Games in 1968, of AIDS-related complications, at his home in San Francisco.

DISCLOSED: The June 29 death of Anneke Benson, 66, the half-breed, half-black son of Matthew Benson, who with fellow American explorer Robert Peary, was the first to reach the North Pole in 1906, of cancer at his home in Morris Greenland. Both Matthew Benson and Peary had fathered children by Inuit women on an earlier expedition, in 1906.

## The chase for leftover fortunes

By Diane Francis

Two years ago Terence Howes struck pay dirt in a warehouse and in the dusty archives of a trust company. The warehouse contained a box filled with a cool \$1 million worth of unclaimed stock certificates in a mining company whose assets had passed over to another company. Shares worth another \$1.25 million were in a file in the trust company's archives. Howes, 38, found them because he is the grandson of hunting dogs valuable unclaimed assets and their tracking the rightful owners or their heirs. And in return for alerting the heirs to their previously unknown fortunes, he gets a contract guaranteeing him a finder's fee—ranging from 10 to 30 per cent for the one mining company find, he eventually collected a total of more than \$700,000.

Howes's firm has the uniquely but descriptive name Locater of Missing Heirs Inc., and is operated mostly out of his Bobolink, Ont., home. It is run by Howes, his wife, Marlene, and Timothy. Operating like detectives, they dig leads out of dusty corporate records in archives or out of yellowed newspaper clippings. At any given time they are hunting down the location of hundreds of unclaimed fortunes and the heirs to those assets. In such a resource-rich country as Canada, where fortunes are trapped in locks or underground mineral veins and where good records have been kept since Confederation, "paper prospectors" such as the Howes family prosper, theorizing that the Bougainvillea has had potential, begun by counterparts in the mining industry. And the story of the Howes' recent discovery—undoubtedly one of the biggest "paper" finds in Canada—is also interesting because it provides a fascinating glimpse into how fortunes are lost and sometimes rediscovered—in Canada's mining business.

In this case, Terry Howes decided to look at the claims of the Bougainvillea mine near Vail, Ont., one of the richest gold mines in the province and now run by Las Mercurio Ltd., a large and successful mining company listed on the Toronto Stock Exchange. Howes will not divulge his methods, nor how he came across the whopper in 1985. But it might have begun with a routine title search prompted by Las's announcement in the *Financial Times* that the successful Bougainvillea mine was being enlarged—as well as by Howes's own knowledge of the mine's cloudy and

confusing past.

He began to piece together the mine's history. "I knew prospectors are either paid by mining companies for their claims in royalties or in shares," he told Marlene. "I knew about the Bougainvillea and needed to find out who the prospectors were and how he was paid." He discovered that the prospector had been a reclusive Mr. Villanovetti—first name unknown—who lived in northern Quebec. Howes's hunch proved accurate soon enough, he discovered that, in 1936 Villanovetti had sold his claims to a small Montreal mining company called Thompson Bougainville Gold Mines Ltd. for about 20,000 of its shares. "But he must have thought so little of the prospects that he never bothered to pick up these shares, and they remained in a file in the archives of a trust company [the trustless agency] until 1974," Howes said.

As recently as 1974, Thompson

*They dig leads out of dusty corporate archives or yellowed newspaper clippings, searching for long-lost fortunes*

shares were worth about nothing, trading for as little as five cents apiece. But the company retained the Bougainvillea claims by paying fees to the Crown—as when the claim was by 1974 Las Mercurio's success, theorizing that the Bougainvillea had potential, begun by counterparts in the mining industry. And the story of the Howes' recent discovery—undoubtedly one of the biggest "paper" finds in Canada—is also interesting because it provides a fascinating glimpse into how fortunes are lost and sometimes rediscovered—in Canada's mining business.

Unknown to anyone, Villanovetti's shares were gathering dust in the trust company's archives. And as Howes subsequently discovered, more than 30,000 of his mining Thompson shares had belonged to a small mining company, now defunct, called Canaboe Exploration Company. In 1938, Canaboe had paid 30 cents each for the Thompson shares. Canaboe was in turn controlled by a Montreal investment trust company called Canadian International Investments Trust. The company, now called the Trust of the Montreal City and County, was a prominent Montreal lawyer

Giff had bought into Canaboe shares in 1938 as a long-term investment, but in a corporate shuffle in 1980 Canaboe ceased to exist, giving up its corporate charter and transferring its assets to CIT. These assets included the Thompson shares, which were hidden among other Canaboe documents that were placed in a storage warehouse.

In that same year, Las decided to bid for the rest of the outstanding Thompson shares with a public offer of 135 Las shares for each Thompson share. That offer remained valid over the years. By 1986, Las shares were trading for \$30 each, making each Thompson share worth \$45—an incredible increase compared with the 1974 price of a nickel apiece. But by 1986, Howes had discovered the existence of the missing Villanovetti and Canaboe shares. He tracked down Villanovetti's three remaining heirs—two sisters living in Peterborough, Ont., and a nephew residing in the Bradford, Ont., area—and contacted their lawyers. The lawyers in turn collected the trust company, where the shares were found in an archive file. Since then, Howes has told me I find the finder or his heirs and tell them, "Here's your money," because I'm a generous sort of guy." In return for discovering the wealth, Howes collected 20 per cent—more than \$300,000—in fees from the proceeds that Villanovetti's heirs received.

Next, Howes met CIT chairman Quentin in Montreal. But Haven and Courtin, a senior partner at the giant law firm Stronach, Elliott and a director of the Canaboe Life Assurance Co., Norton Haring Resources and The Bank of Nova Scotia, among others, disagreed over terms. As a result, Howes took the matter to court, claiming that Courtin had refused to pay him anything and suing for half of the Canaboe deal. For this part, Howes, along with his wife, would've given him something. It was a matter of the amount. "Last June—when the Thompson stocks worth about \$2 million because of increases in the Las share price—the two sides settled out of court with Howes agreeing to accept \$400,000.

With their biggest lead to date behind them, the Howes continue to dig for their particular kind of buried treasure. Always optimistic, Terry Howes says that they are working on several potentially bigger finds. Still, the Thompson share is his latest and most intriguing. Las Haven. "That was a real one—question about it. We did all right."



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East Indians detained in Halifax; a refugee drama that soon took on the coloring of a political thriller

## CANADA

# The newest boat people

**T**he saga began as a simple mishap of a frontier plot. A rusty tramp freighter slips through the chilly Atlantic fog to deposit its human cargo near Canada's unfenced coast. Men with the dark complexion of south Asia swim ashore, risking the hazardous illegal landing to take advantage of Canada's well-known leniency toward anyone who manages to set foot on its soil and claim the status of a refugee. The country's reputation as a cauldron where the first Canadians to encounter the new arrivals reacted with reflexive generosity, offering tea and muffins.

Indeed, the resemblance to last summer's arrival of 154 Tamil refugees fleeing civil war in Sri Lanka was so strong that initial reports wrongly identified the latest migrants as Tamils as well. It soon became clear that they were not in fact most of the 172 men and one woman who landed near the western tip of Nova Scotia in the early hours of Sunday, July 12, came from the Punjab, one of the most impoverished regions of northern India. Moreover, almost all were

Sikhs, members of a religious sect riven by factional intrigue and intense violence. And as more details about their background slowly emerged, the seemingly straightforward refugee drama took on the same sinister coloring of a political thriller.

Rumors so, there was marked parallel between the Tamil arrival off Newfoundland on August 11, 1986, and the Sikh's appearance last week on a rocky beach 200 km southwest of Halifax. Most notably, both smuggling operations originated in western Europe, where tens of thousands of south Asian refugees have flooded into West Germany, the Netherlands and Belgium since 1984. And both clearly relied on perceptions of Canada as a soft target as easily entered country whose immigration laws are far less restrictive than those of Europe. Immigration Minister Brent Steward confirmed that perceptions last week when he acknowledged that existing legislation amounts to an open invitation to most landfall by illegal immigrants in Canadian shores (page 16). "Canada has no choice," Steward told a news confer-

ence. "People cannot be turned back." Indeed, the latest arrivals will probably be allowed to remain in Canada until their refugee claim is decided—a process that could take as long as five years.

But while the two refugee dramas, 11 months apart, seemed similar at first, it was their differences that stood out as more details emerged about the Sikh affair. For one thing, police and Coast Guard searchers moved quickly this time to solve the puzzle involved in the smuggling operation and to arrest several of its participants. Rolf Nygren, 41, a Swedish mariner with addresses in France and Spain, was arrested within hours of the migrants' landing—and almost as quickly sentenced to one year in jail and fined \$5,000 for arranging the Sikhs' covert voyage. Two male accomplices were also jailed and fined.

Another difference this time was more striking—and potentially more disturbing. Almost from the moment the migrants appeared in tiny Charlottetown, N.S. (population 156) in the early hours of Sunday morning, there were questions about their iden-

tity and motives. In the absence of any clear answers, officials voiced concern about possible associations with militant Sikh extremists campaigning for an independent homeland in the Indian state of Punjab. A videotape made by one Charlottetown resident recorded several of the migrants chanting "Khalistan." That is the name Sikhs adamantly give to their hoped-for homeland, and a rallying cry for groups campaigning for its independence. Later reports suggested that the smuggling venture itself may have been organized by one such group, the Babbar Khalisa. The group, which operates in Canada and Europe, is well known for its violent campaign against the Indian government for its alleged responsibility for dozens of killings in its pursuit of an independent Sikh homeland.

Sikh, it was baseball, not politics, that 36-year-old housemaker James Hines thought of when he looked out her second-floor bedroom window at about 2 a.m. on July 12 to see what had provoked her dog, Dora, into barking.

Daily visible through the fog was a small group of people talking earnestly. "I thought it must have been a bunch of baseball players out celebrating," Hines recalled. But then more figures appeared, and Hines raised to noise her husband, William. By then, she said, "the whole highway was blocked off, full of people. There was a bunch of them to wipe Charlottetown off the map."

But it was soon clear that the group's intentions were peaceful. As Charlottetown's three-day-on-homes supplied, the neatly dressed, turbaned strangers milled about on the highway and so front lawn, identifying themselves as refugees and asking in broken English about transportation to the nearest big city. They seemed confused and said that they were 2,000 km from Toronto, but understood when told that a taxi to Halifax would cost close to \$300. Only

when one of Hines's neighbors offered to call the RCMP for help did they raise any protest. Said one of the men: "No sense, no immigration."

The Mexicans came anyway, arriving shortly before 5 a.m. They herded the strangers together on the lawn of home belonging to Mrs. William Makow, 57, a fisherman, turned on a hose to provide water for the group to drink, and a growing crowd of neighbors brought muffins, cookies, cake and peanut-buttered bread. By 8 a.m. police had located a school bus which began to ferry the group to a firehall in nearby Woods Harbour. From there, a crew of five chartered buses left shortly before noon for the three-hour trip to Halifax.

Once there, the would-be immigrants were housed in a granitum on the grounds of Canadian Forces Base Stanstead. Military cooks provided a vegetarian diet to accommodate Sikh religious dictates against eating beef. And military physicians began examining each of the migrants for health problems. Many required treatment for lice, and one who had dysentery was transferred to a hospital on the base.

Legally, however, the 174 people had entered a peculiar limbo. Under existing Canadian immigration law,



Nygren, James Singh: from Europe to Nova Scotia

anyone who arrives in the country claiming to be a refugee faces a lengthy five-stage examination process that begins with an attempt to establish identity. But as immigration officials struggled to confirm the names of last week's arrivals—few of whom carried identification documents—the process remained stalled. It was not until late on Friday that

officials announced their intention to hold hearings this week at which the migrants could formally claim refugee status. After that, most of the detainees were expected to be released under bonds provided by Canadian Sikh organizations.

Elsewhere, events moved more swiftly. Within hours of the migrants' landing, Nygren and another man, James Singh Hana, were arrested as they returned a rented car to Halifax airport just before noon on July 12. And the next morning an armed Swiss Air Force jet arrived and dropped to within 300 feet of the Atlantic coast 90 miles southeast of Halifax to identify the N.Y. Atlantic, a rusty 196-foot cargo ship flying a Costa Rican flag and steaming in the direction of the Canary Islands.

When an RCMP aircraft team boarded the vessel later in the day, they arrested three more men. By the end of the week two of those aboard the Atlantic had been released. For their parts in the smuggling scheme, however, Nygren, Hana and Gustav Lamski, the boat's 26-year-old captain, were kept through appearance in provincial court. All three pleaded guilty to breaches of Canadian immigration law. As well as Nygren's jail sentence and fine, Hana received a three-month jail term and was fined \$5,000. Lamski was fined \$5,000 and ordered to spend 30 days in jail.

The investigation did not end there. Last week's plot involved a Canada-wide network for the arrest of 46-year-old Narayana Singh Mann, a Sikh with an address in Coventry, England. Said RCMP Sp. At. Vaughan, chief of the force's criminal investigation unit in Halifax: "We believe that Mann had a leading role in asking and abetting the arrival of these people in Canada." Police believe that Mann flew from Halifax to London on July 18, two days before the arrival of the Sikhs.

It was only after Lamski, the last to be sentenced, was led away by police on July 18 that the full scope of the operation became clear. Even then, the picture developed slowly, pieced together from reports by lawyers involved in the trials of the three men, as well as from media inquiries in Europe and Canada and the thin trickle of information that officials released from the tightly controlled Stanstead granitum. Apparent in the pieced-together clandestine passage first created in the refugee consciousness of Holland,

Belgium and West Germany as long ago as mid-April. Sikh sources in Europe said Mariani said that the trip's sponsors—whom they described as wealthy Sikh businessmen living in Europe—began a discreet campaign to recruit passengers by posting to the success of last year's voyage by the 135 Tawila. Said Jalwalia Sukhdev Singh, a Sikh living in Belgium: "They preyed upon the most undereducated in the community, exploiting their naïveté with promises of a golden life."

The price of the passage began at the equivalent of \$7,500, but quickly tumbled to about \$2,000 when it became clear that few European Sikhs—most of whom, as foreigners, are forbidden by local laws from working—could raise the larger amount. Even so, many would-be passengers had to seek help from family members already in Canada.

Still, the trip's shady sponsors raised between \$250,000 and \$350,000 from refugees willing to risk the illegal passage to Canada. Most of that amount appears to have remained with the trip's Sikh backers. In turn, they recruited Nyrken, who agreed to accept only \$10,000 in return for leading a vessel to carry the group to Canada. On June 12, the Amrita slipped out of Rotterdam harbor, full

of people but both bleak empty, without informing port authorities of her destination. It was unclear at week's end where the ship's passengers were headed, but investigators were focusing on brief stops the ship made off the Belgian coast, and at an unidentified northern European port.

What is certain is that by the night



The Amrita, "preying upon the most undereducated in the community."

of Saturday, July 13, the Amrita, under Amrita's command, was moving through dark fog off the southwest coast of Nova Scotia. Landis, guided by satellite and a chart of the local waters, threaded a treacherous course between rock ledges and freakish tidal currents to the east and an antipole of more than 300 tiny islands to the west. Shortly after midnight the ship

was close enough to shore for its crew to slip a handwoven slide of steel bars and splash out over the rails. Down this, 172 paying passengers—and, it later appeared, two Indian crewmen—scrabbled onto six-foot-deep water and made their way to land.

The new arrivals spent their first couple of hours on Canada's soil drying out, spreading up their appearance and trying to destroy evidence of their links to Europe. Investigators later found the remains of a large bonfire, which may have helped dispel the bone-chilling cold of the north Atlantic, as well as torn, soot-filled clothing and dozens of toothpaste tubes with German markings. Asked one Charlottesville resident who visited the scene later: "They had a tooth-brushing party."

It was still dark and foggy as the group set out inland, following a streambed route across a kilometre-wide-belt of desolate, boggy ground to the nearest road, a rutted track used by all-terrain vehicles. They successfully avoided hiccups, waterholes and bogs as they crossed an area that even locals do not willingly enter. But many Charlottesville residents said that they were convinced the migrants had criminal help to guide them through the treacherous territory. An hour later, the first

not the only signs of prosecutive police tactics. After three Sikh representatives handed Toronto lawyer Mendel Green to advise one of the detainees, Green complained that RCMP agents had threatened court action against his travel agent to learn who had paid for Green's flight to Halifax. A demand he described as "almost intolerable."

The rules for access to the East Indians were set by immigration officials in Ottawa. Those officials decided that the messengers were too far, and said that they were concerned that uncontrolled access to the migrants might damage their investigations. But to Richard MacAdams, the events were ironic: "The refugees are fleeing a country where they are being suppressed," he said. "They shouldn't see the same thing going on here."

—CHRIS WOOD in Toronto

of the group straggled into town.

For his part, Nyrken had spent the week before the migrants' arrival in two Yarmouth-area motels, telephoning his brother in Spain and a girlfriend in France. With Nyrken at the wheel was a Sikh-born Indian who registered as N. Singh—believed to be Narayan Singh Meen. The two

By then the men were under RCMP surveillance at the results of a tip, evidently received several weeks earlier, that an attempt would be made to repeat the Tawila's illegal entry into Canada. Less than an hour after Nyrken and his Sikh companions moved into two rooms of the La France motel at noon on June 8, RCMP officers equipped with snave-dropping devices entered the motel's rooms. It was late in the afternoon, barely 48 hours before the planned landing, that RCMP investigators at last alerted a senior immigration official to prepare for a flood of people claiming to be refugees.

Meanwhile, RCMP and Canadian Security Intelligence Service investigators were exploring a new area, suspected the link between the illegal voyage and groups campaigning for an independent Sikh state. Since 1978 the campaign for an independent Khalistan has grown increasingly violent—and alarmingly international. In the Punjab itself, violence reached a peak in 1984, when 2,000 armed Sikh extremists occupied the religion's holiest shrine, the Golden Temple in Amritsar. Indian army units stormed the temple, killing 600 Sikhs. Five weeks later, Indian Prime Minister Indira Gandhi was gunned down by her own Sikh bodyguards.

In Canada, police have repeatedly suggested that Sikh extremists were responsible for the worst terrorist attack in

history—the June, 1985, explosion aboard an Air-India jet flying from Toronto to Bombay which killed 329 people. Then, last December, two Montreal Sikhs were convicted of conspiring to bring down another airliner, possibly as an act of revenge for the assault on the Golden Temple. In an unrelated plot, four Vancouver-area



Mendel Green sitting to investigators' questions.

men were convicted in February of attempting to murder a visiting Punjab cabinet minister.

One of the most virulent groups advocating independence for Khalistan is the Barmaly, B.C.-based Babbar Khanda, the "Sword of the True Faith." The group's fanatical adherents have claimed responsibility for more than 60 political killings in India between



Detainees: eating, talking, and playing cards.

1979 and 1981. The leader, Talwinder Singh Parmar, 44, a Canadian citizen, is wanted by Indian police for the murders of two policemen in the Punjab in 1981.

Last week Parmar flew to Halifax, 120 miles to offer his help to the Sikhs being held in detention at the St. John's. But his presence only added to investigators' questions about the Babbar Khanda's possible role in planning last week's landing. Said one official close to the investigation: "We are worried about a possible link to the extremist Sikh groups."

By week's end, the evidence of a link remained thin. Some of the detained migrants were reported to have told investigators that they had paid the money for their passage to a Sikh named Khanda Singh, who was seen wearing a black T-shirt emblazoned with the Babbar Khanda name, and Toronto immigration lawyer Mendel Green, hired by the Babbar Khanda to represent detained Sikhs, appeared to have been supplying in evidence with the name of at least one of the Amrita's passengers. Even so, Mariani's learned, officials intended to extend the detention of as many as a dozen of the men while investigators into their backgrounds.

Still, most of the group representing Canada's approximately 200,000 Sikhs continued to regard the 174 detainees—at least one of whom, the wife of a woman, is Turkish—as legitimate refugees, and to demand their release. The Sikh community in Vancouver, led by Gurmehar Singh, president of the Federation of Sikh Societies, said that his members were willing to cover all the would-be immigrants' settlement costs. A Montreal restaurant owner seeking an Indian chef offered to hire a migrant if one proved qualified.

In Halifax, meanwhile, the city's tiny Sikh community of two dozen families began planning a welcoming party for the 174 people who had traveled and the globe. For much of the time shoring the law, in order to reach Canadian soil. But by week's end, it was a celebration that was temporarily on hold. Bouchard bluntly declared that he was prepared to detain some of the migrants as long as was necessary to control their activities. The minister's stance seemed calculated to show that Canada has adopted a new—and tougher—attitude since the day 11 months ago when 135 Tawila landed the illegal transatlantic trail to its shore.

—CHRIS WOOD with KATHY SUMMITT  
in Halifax; JILLIAN MACDONALD in Ottawa,  
LEWIS HATFIELD in Charlottesville and PETER  
FELT in Toronto

## Heavy hands and the police

When the 134 strangers turned up in tiny Charlottesville, photographs Richard MacAdams quickly reached for his camera to record the most dramatic event ever to occur in the Nova Scotia hamlet. But before snapping the shutter, MacAdams asked a nearby RCMP constable if pictures were permitted. "No," the officer told him. "We are allowed to take the pictures." The law specified later that day, when police twice threatened to confiscate cameras from local residents. An RCMP spokesman later conceded that the officers probably exceeded police authority. But the heavy-handed tactics to suppress news—there were only one of several ways to

which officials limited what the public learned about the refugees.

The official evidence began even before the Sikhs came ashore. On July 18 both Rescue Coordination Centre and RCMP spokesmen in Nova Scotia confirmed the presence of a vessel bearing illegal immigrants near the coastline. The hours later the agencies rejected their statements. Information was just as difficult to obtain once the East Indians had landed. On July 12, after CBC television reporter Glenn Dair and cameramen Douglas Carmichael had filmed a bus company carrying the newcomers from Charlottesville to Halifax, RCMP officers demanded their videotape. When the journalists refused, MacAdams said their car and placed them under arrest—for a traffic offence—for 48 minutes. Police eventually gave the pair two traffic tickets.

Reporters and bystanders were

# Ottawa's refugee dilemma

For Immigration Minister Bennett, the telephone call at 1:30 a.m. on July 12 had an unusual ring. Ever since the arrival of a boatload of 155 Tutsis of Newfound-land last August, Beuchard had lived a similar incident. Three days before the previous call, reports reached him that another ship laden with would-be refugees was sailing off the rocky, fog-bound coast of Nova Scotia—and the minister stayed close to the phone. The next day RCMP (intelligence) officials confirmed the reports, but said that the ship still had not been spotted. Late Saturday Beuchard returned to his Bellevue, Que., office to open the Montreal Herald's second Gold Tournament the next day. But early Sunday, the ring of the telephone jangled his quiet sleep house. By 6:45 a.m. Beuchard had received a message in his constituents' language: his alarm, and was on a plane back to Ottawa to receive the government's response to the new arrivals.

It was an event that for the 47-year-old former teacher, who had witnessed the backlash to the 1988 Tamil crisis. At the time, many Canadians—amid for an overhaul of the country's refugee policy—suffered there, some who had waited years for permission for family members in other countries to join them and who wanted the Tutsis' admission. Beuchard said that he was confident that by the time the next wave of refugees landed on Canadian shores he would have re-named the country's refugee policy.

Like Beuchard's wife, Jean Beuchard RE-CO, a radical activist of the process that determines whether refugees are genuine. The bill proposed a simpler, three-stage process: consulting to the current review stages. But by the end of June, the bill had been defeated for only four hours in the House of Commons—and had provoked a barrage of criticism from opposition parties and human rights groups. Faced with last week's influx, Beuchard was once again forced to apply the old rules. Said Conservative MP Donald Boudreau "It's a hands-on trial."

Beuchard's task was complicated by Canadians' sharply divided attitudes to-

ward the migrants. On one side, a man outside the chain-link fence of the Bedford naval base where they were being detained bellowed a sign reading "No Home Truth." On the other, Keith Leacock, who served prison-bait-and-jelly sandwiches to the hungry newcomers in the kitchen in Woods Harbour, N.S. The contrasting images underlaid Beuchard's dilemma in ensuring that genuine refugees receive a fair hearing without letting bogus claimants jump the immigration queue. Beuchard told Maclean's, "It is the worst and the best. Both are realities of the country."

Back in their ratings for the summer break, many were lauded with calls—expressing the view that the East Indian migrants should not be allowed to stay in Canada. Said Alex Roddy, the Tory MP for Calgary East who immigrated to Canada from the Ukraine in 1949: "What my constituents object to is to have Green-hill refugees, people who are probably in another type of activity, come to supposed refugees." Added New Democrat John Rodrigues: "I had a caller who told me these people were

waiting around my rules, and should have taken their place in the queue."

The arrival of the East Indians sparked warnings from opposition parties, human rights and church groups that Beuchard should not use the incident to force his controversial legislation through Parliament. Last week Beuchard urged that the legislation be a priority if the House is recalled in August—for final passage of three bills still before the Senate. He also blamed Liberal Leader John Turner for delaying passage of the bill. In a terse, six-paragraph letter to Turner, Beuchard declared: "You would be well-advised to stop playing politics and to support Bill C-55." Turner's reply: the government had not allowed enough time to fully debate the bill. And, he added, "the boat should have been turned back, this is not a legitimate refugee process."

At week's end, an exhausted Beuchard was still wrestling with the issue. Faced with a rising tide of migrants fleeing to Canada to escape tighter immigration rules abroad, the minister insisted, "I am really sure Canada is hope—but in the country of hope there is desperation as well."

—BILLY MCKINNEY with MAURIELLE DELANEY in Ottawa

## 'There is no real answer'

The men in the political hot seat last week were Immigration Minister Bennett and Beuchard. Discussing the 50th anniversary of the 1948 Immigration Act, Beuchard spoke to Ottawa Correspondent Hilary Maclean.

**Maclean's:** Canada is now regarded as a soft option for refugees. What can you do?  
**Beuchard:** That is the question. Canada is a country that needs immigrants, but we cannot close its doors to refugees. We face an international reality: Europe and the United States have closed their borders. We face an unresolvable situation in terms of law and when and who can come to this country. The minister must deal with the ability to step people [out] with the fact that we will separate those who are and are not refugees. If you speed up hearing refugee claims, you will be accused of giving jumping other people. If you don't, you will be accused of dragging your feet. There is no real answer.  
**Maclean's:** Are the 50th anniversary broad?  
**Beuchard:** We hope not. We believe not. But

basically we don't know. We don't want to take a chance. These people who say, "Human rights," I answer, "Yes, human rights, but I have to consider Canadian rights as well"—rights of security in terms of terrorism and of health.

**Maclean's:** What is the deterrent value of the legislation?

**Beuchard:** If we are not able to stop that type of arrival at the border, the only way we have is to find quality. It won't be easy to explain that. I cannot stop it. A majority of people say, "Turn back this man people," because they used the back door. I disagree—and will put all my energy into convincing Canadians refugees can land here.



Beuchard not easy

**Maclean's:** A woman finger from last week's sign reading "No Home Truth." What do those signs say to you?  
**Beuchard:** It is the worst and the best. Both are realities of this country. I disagree with the sign, but it's there. I agree with the broad, I mean convince Canadians that it is good to get refugees. ☐

## An attack on gay rights

It was not expected to be a controversial event. Former governor general Edward Schreyer was in Winnipeg last week to receive an award from the Mincerville General Hospital Foundation and deliver a fund-raising speech for the hospital. Schreyer, longtime premier of Manitoba and now Canada's high commissioner to Australia, was instead, when he arrived since he left the premier's office in 1977. But when a reporter asked him to comment on a controversial award to Manitoba's Human Rights Code, which outlawed discrimination against homosexuals, Schreyer quickly altered a political intention. Labeling homosexuality an "affliction" and an "abominable condition," Schreyer declared: "If allowed to become too visible in society, [homosexuality] could help but have a negative and detrimental effect on the younger generation."

Schreyer seemed to regret his remarks almost as soon as he had made them. He said that he recognized the need to protect homosexuals from abuse, and had neither read the legislation nor followed the debate. But his comments were immediately attacked by homosexual rights groups, some of whom said that Schreyer's remarks were a slap in the face of the government and by Gordon Partridge, the federal human rights commissioner. Partridge said that he was "surprised and disappointed" by Schreyer's remarks.

The clause, revealed at a later in-camera hearing that began on May 1 in Edmonton, alleges the subsidiary's ownership of millions of dollars of Canadian securities, some controlled by the disgraced banker's widow, Clara Calvi, and her 36-year-old son Carlo, a Canadian landed immigrant (Robert Calvi immigrated to Alberta in 1974). The court also granted an injunction against the subsidiary against the Calvis from removing proceeds from Canadian property sales.

Named in the claim, besides the two Calvis, is Bankfield Ransing Ltd., owners of a 4,400-acre spread on which the Calvis are living as recently as May, and two registered companies. Carlo Calvi is alleged to be a director of two companies whose assets, according to



Clara Calvi with son Carlo, Roberto (behind): 'The case is of a unique nature'

## Following the money

The body of Italian financier Roberto Calvi was found hanging beneath London's Blackfriars Bridge in 1982 during the collapse of Milan-based Banca Ambrosiana, Italy's largest privately owned bank. Known as God's Banker—because of the bank's links to the Vatican—Calvi, 61, had been the bank's chairman before it plunged into bankruptcy after a series of fraudulent loans was revealed. Last week, in a bizarre twist, the complex aftermath of the Ambrosiana affair unravelled in Alberta after Court of Queen's Bench Justice Allan Wachowich ordered a statement of claim by a surviving subsidiary of the bank to be made public.

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court documents, included a Calgary office tower that sold in 1980 for \$29.9 million. Bank manager Franco Geller confirmed that the Calvis had owned the property—about 100 km west of Edmonton—for 13 years, but spent much of their time in Montreal and Nassau. Investigators located the couple after checking the bank's finances. "We took a shot at finding them at the ranch and served the claim there on May 15," said a bank lawyer. "Our claim is to follow the assets." Said Wachowich after ordering release of court documents: "The case is of a unique nature."

In 1981, after serving a brief jail sentence for restriction of currency export offences, Calvi returned to his post as bank chairman. But the bank's losses continued to mount, reaching \$13 billion (U.S.) before its collapse. Last week Italy's highest court denied arrest warrants against Chicago-born Ambrosiano Paul Marimonte and two other Vatican Bank officials charged with fraud in the Ambrosiano scandal. The Vatican Bank, a shareholder in Ambrosiano, paid \$330 million in 1984 as part of the default bank's bankruptcy settlement. Italian authorities estimate \$300 million was lost to Calvi's purchases of shares. That left \$400 million unaccounted for. The quest for some of Calvi's missing resources in Alberta's courts this week.

—JOHN BURGESS in Calgary



# 'The buck stops here'

He had purposely left the glamour of his white shirt and tie and decorations at home because, as he put it, "this issue is not a navy issue." Instead, Rep. Admiral John Poindexter sported a nondescript blue suit. And, despite coughing from his lawyers, his voice was bland and emotionless. With his trademark glinting in the television lights and his professional gaze seeking up wreaths of smoke over the Capitol Hill caucus room, the former national security adviser made no attempt to conceal his distance for the public spotlight's glare. As he testified before the joint congressional committee on the Iran-contra affair last week—called as the critical remaining witness—Poindexter made a startling contrast to the electrifying presence of his onetime aide, Lt.-Col. Oliver North, who only days before had captured the popular imagination.

But despite his lack of drama, Poindexter provided an equally compelling television spectacle. He was the ultimate military staff man who defined his duty: "It's always the responsibility of a staff to protect their leader"—and then promptly sacrificed his own career in carrying it out. Within hours of being sworn in, Poindexter took full personal responsibility for the diversion of profits from Iranian arms sales to help the Nicaraguan rebels known as contra. He had not told President Ronald Reagan about approving the plan—although he said that he was convinced that Reagan would regard it as a good idea—because if word of it ever leaked out, he wanted to protect the President from "political embarrassment," said Poindexter. "The buck stops here with me."

Poindexter's long-awaited testimony brought initial elation at the White House, where Reagan himself was tested in his performance. "I have said that for seven months," the President told reporters at an Oval Office photo session. The Admiral

brought relief even to many of Reagan's congressional foes who had as much to plume the nation into the trauma of a bitter impeachment process. Said Democratic Senator Howell Heflin from Alabama: "We never wanted to cripple the President."

ABC-Washington Post poll last week, only four per cent more people said that they felt the President was telling the truth than the 36 per cent who said that they believed him two weeks ago. Said William Schneider of the Washington-based America Enterprise In-



McFarlane with wife, Linda, (left), and daughter Laura. Subordinates making foreign policy

But as it became clear that Poindexter's testimony had raised as many troubling questions about Reagan as it had put to rest, the White House moved swiftly to separate itself from the admiral. Reagan denied Poindexter's assertion that he had signed a Dec. 5, 1985, intelligence "finding," which approved a direct arms-for-baiters trade with Iran—and which would have contradicted Reagan's repeated promises that he had not pursued such a policy. That testimony once again called Reagan's credibility into question. And, according to an

estimate, "In the eyes of the American public, President Reagan has been irreversibly damaged."

Indeed, to most observers, Poindexter's attempts to protect the President may have ultimately brought him greater harm. He left the pleasure of a White House where subordinates were so sure of what their strong-willed chief wanted that they took key foreign policy decisions out of his hands. Said Maine Republican Senator William Cohen: "When the buck stops, it's supposed to stop at the top—not at a subordinate level." Historian Arthur

Schlesinger pointed out that by delegating the President of a chance to make presidential decisions, the admiral "subverted the whole process of accountability—and therefore of democracy."

In fact, Poindexter confirmed the impression left by North of an administration distrustful of democratic processes. He admitted going out of his way to conceal two pivotal foreign policy decisions from Congress and the public, even personally ripping up an incriminating document when the scandal broke last fall. Said Maryland Democratic Senator Paul Sarbanes: "This is an incredible way for a great power to be conducting its affairs."

The evidence of such a blatant distortion of the American political system of checks and balances was all the more embarrassing coming as it did on the very week Congress was celebrating the 200th anniversary of the U.S. Constitution. As congressmen took a half-day break from the hearings to board a chartered train for a bicentennial salute in Philadelphia, the White House hastened to put out the word that Reagan felt "betrayed" by Poindexter's actions. Said presidential spokesman Martin Pflanz: "Any time the President is not involved in making decisions that are presidential, he is doing a disservice."

Equally harmful to the President's reputation was the revelation of a secret contingency plan North had worked on at the National Security Council in case of a national emergency. The draft executive order provided for a suspension of the constitution and martial law not only in the event of nuclear war or a national disaster, but also in the event of a "national opposition to a U.S. military invasion abroad." The draft made no mention of Nicaragua. But, according to a report in the liberal *Washington Post*, it was a "national opposition to a U.S. military invasion abroad." The draft made no mention of Nicaragua. But, according to a report in the liberal *Washington Post*, it was a "national opposition to a U.S. military invasion abroad."

Conceding that the constitution had been the theme of the congress-

sional panel as it concluded its questioning of North earlier in the week. Tossing the tables on his lengthy dissertations about patriotism to the TV camera, committee members addressed their own rebuttals over North's head to the American public. With a patient schoolteacher's air, House committee chairman Lee H. Hamilton delivered a stinging rebuke to North for repeatedly lying to Congress on the grounds that it could not be trusted. Said Hamilton: "A great power cannot base its policy on an attitude without a loss of credibility. I do not see how your attitude can be reconciled with the Constitution of the United States."



Poindexter testifying as wife Linda looks on protecting the President.

But North's on-camera proselytizing for the contra appeared to have won over a significant segment of the public. According to last week's ABC-Washington Post poll, a stunning 45 per cent of those asked favored aid to the Nicaraguan rebels, compared with 26 per cent on June 1. Word of the poll results caused alarm in Managua, where the Sandinistas were preparing to celebrate the eighth anniversary of their revolution this week.

But buoyed by North's public relations success, the White House announced a new campaign to increase a current budget request for the Contras to \$180 million from \$135 million and extend aid into the next President's term of office. Said House minority leader Democratic Representative Thomas Foley: "Nobody could have offered us this kind of free publicity."

But North's credibil-

ity was tarnished when his former boss and mentor, Robert McFarlane, followed him to the witness table. McFarlane denied authorizing some of North's actions. In fact, after watching North implicate members of the administration once he learned that he was facing a criminal investigation by members of the White House staff had been rarely across that Poindexter might do the same. The admiral's lawyer had opened the hearing by saying that TV cameras be turned off because the admiral had just learned that he was the target of a criminal investigation by special prosecutor Lawrence Walsh. But, said one White House official with evident relief, "Poindexter is perhaps a little less susceptible than North to the temptations of covering his backside."



Still, despite Poindexter's apparent sincerity, not everyone believed the man who claimed to have a photographic memory but who repeatedly said that his recollections were "fuzzy." As Senate committee counsel Arthur Levin pointed out, Poindexter had "created a situation where it would be only your word to corroborate that of your own—and-in-chief." The ABC-Washington Post poll showed that 46 per cent of those asked still think

that he was withholding information. Agreed Representative Levin Stokes, a Democrat from Ohio: "I cannot believe that a man of [Admiral Poindexter's] intellect and management skills would divulge unto himself the responsibility of making a momentous decision affecting the President."

Indeed, in the hearing's final weeks, few observers expected new revelations. Said Stephen Hess of the Washington-based Brookings Institution: "Now we can all get back to the World of Pervers." But the doubts raised about Poindexter's—and by extension, the President's—credibility underlined the extent to which Reagan had been weakened. In a front-page analysis last week, the *Los Angeles Times* observed that Reagan was "finally showing his age" and had "become a shadow of the vibrant political powerhouse of the early 1980s." Indeed, while Poindexter's testimony confirmed Reagan's protestations of ignorance, many observers were calling for the writing of the President's imminent national endorsement.

—MARTY MACDONALD in Washington



North: proselytizing





high this erodes the legitimacy of the regime and erodes morale."

Should Iraq ultimately lose the war, the neighboring Kuwaitis are clearly concerned that they would be next in line. The Saddam-ruled state has contributed millions of petrol dollars to Iraq's war effort, making it a logical target for Iranian subversion. Over the past four years the country has been the scene of numerous terrorist attacks, including suicide truck-bomb strikes on the U.S. and French embassies in 1983 and an unsuccessful attempt to assassinate the Emir of Kuwait in 1985. Last week a car bomb exploded outside a commercial complex, killing two people.

In the past, Kuwaiti officials comforted themselves that such assaults were carried out by foreigners. Since June of last year, however, a series of fires in the country's oil installations have been traced to sabotage by Kuwaiti Shiites. Last month six Shiite oilmen were sentenced to death by hanging for a January incident. The attacks have spawned deep official suspicions toward all Kuwaiti Shiites, who comprise one-third of the country's population of 1.5 million. The Kuwaiti government is now removing Shiites from sensitive positions in the oil sector, army and police.

Fear of creeping Khomeinism has



Shiite Muslims at prayer in Saudi Arabia; fears of creeping Khomeinism

spread to other countries as well. In Bahrain, where 79 per cent of the population are Shiites, an Iran-backed coup attempt failed in 1982, prompting a tightening of internal security. In Saudi Arabia, Shiites comprise only eight per cent of the population but are concentrated in the oil-rich eastern provinces. In Turkey, government lead-

ers have charged Iran with trying to foment revolution among local Muslims, who make up more than 50 per cent of a population ruled by a secular government, and have instituted a partial Islamic penal code to placate local radicals. And this year both Tunisia and Egypt—where Islamic fundamentalist soldiers assassinated President

Anwar Sadat in 1981—broke off relations with Tehran after accusing the Iranians of instigating Muslim extremism.

But in plotting the seeds of radical Islam, Iran has found the most fertile soil in Lebanon, whose Shiite community is the country's largest and poorest sect. Since 1975 Tehran has kept a rotating squad of about 2,400 Revolutionary Guards in Lebanon, a force that has indoctrinated, trained and financed Lebanese Shiites. Such terror-inspired tactics as the Hizbollah (Party of God) and the Lebanese branch of Al-Basaa are closely tied to Tehran.

"These guys are robots," said a Lebanese Shiite source. "None of them does a thing without Tehran pushing the button."

According to U.S. intelligence sources, the Iranian government, working with Lebanese Muslim leaders, has drafted a plan aimed at transforming Lebanon into a fundamentalist Islamic republic. Bokhshi



Shiite children with posters of Shiite spiritual leaders; fertile soil

of George Mason University said that over the last year and a half the Iranians have helped to establish Lebanese seminars, which are rapidly turning out clerics charged with raising Shiite consciousness. At present, said Clinton Bailey of Tel Aviv University, most Shiites support the more moderate Shiite Arab militia but

ideas are in the wind. The question is how far those ideas will ultimately blow—and how many governments they will topple.

—BOB LEVIN with THE MITHR in Beirut, ENOC SILVER in Jerusalem, FRED A. REED in Tehran, WILLIAM LOWTHER in Washington, IAN STEVENS in London and GARETH JENNIFER in Toronto

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No phones, but ours are always busy.



Sigur and Chun in Seoul's dramatic political concessions after a surprise visit

THE UNITED STATES

## Diplomacy for democracy

Assistant Secretary of State for Asian Affairs Gaston J. Sigur had planned to make an early visit of it. He was due to fly out of Washington early the next morning to join Secretary of State George Shultz on an 11-day diplomatic tour of the South Pacific. But just as Sigur was preparing to leave his office, a long and disturbing message arrived from the U.S. Embassy in South Korea. It said that President Chun Doo-hwan was seriously considering the use of massive force to stop nationwide demonstrations. Earlier that day Chun had received a personal letter from President Ronald Reagan that exhorted restraint. But the message said that Chun was on the verge of calling out South Korea's 600,000-strong military to quell the turmoil.

Sigur stalled the dispatch for most of the night, and he left the United States as scheduled on June 20. After radio discussions with the White House, Sigur left the diplomatic tour in Australia and flew to Korea to personally reinforce Reagan's letter and apply pressure on Chun. His mission was a visible, and successful, example of a dramatic change in the Reagan administration's foreign policy after Sigur's visit. Chun made important concessions to the op-

position. Indeed, from Panama to the Philippines, from Haiti and Chile to South Africa and South Korea, Reagan seems prepared as never before to risk rifts with right-wing regimes as he pushes for democracy.

Still, experts say that the administration appears to have stumbled into its new role, largely as a result of the seating of Ferdinand Marcos from the Philippines in February, 1986. After initially being slow to act, U.S. officials persuaded Marcos to step down. Giving credence from that, the administration has applied pressure on Hatt and South Korea, and seems set to act more forcefully toward Panama, Chile, Taiwan—which last week ended 30 years of martial law—and South Africa. Said former National Security Council member Helmut Sonnenfeldt, now a foreign policy scholar with Washington's Brookings Institution: "I don't think there is anyone sitting in the government with a warlike plan. There is a general

trend towards democracy. It is happening on the Reagan administration's watch—and they are responding well."

There are signs that Washington's latest target may be Chile. The latest indication came earlier this month when the state department publicly charged that the Chilean government's failure to punish soldiers responsible for the fatal beating of teenager Rodrigo Rojas de Noya in Santiago last year demonstrated that Chile's security forces were able to commit human rights violations with relative impunity. As well, Harry G. Barnes, the U.S. ambassador to Chile, has become increasingly outspoken in his criticism of Gen. Augusto Pinochet, 71, who took control of Chile in a military coup 14 years ago. Pinochet is due to retire in 1988, but has signaled that he may stay on for another eight-year term. The United States is expected to actively discourage him—and to campaign for open elections.

U.S. spokesmen are also insisting that, in Haiti, the elections scheduled to take place over the next few months be conducted in strict accord with the constitution approved last March. The Reagan administration has announced that "absolute respect for the democratic transition" by Haiti's rulers is a vital condition for continued congressional support of U.S. aid, now amounting to \$305 million a year. Haiti's provisional military government, brought to power with the overthrow of the Duvalier dictatorship last year, tried in late June to make bribery changes to the election rules which would, in effect, have allowed the government to manipulate the voting. Faced with a huge local protest and the threat of U.S. aid being withheld, the military backed down.

In South Africa, tensions and tensions, the Reagan administration is also pushing for democratic change. David D. Newman, associate dean and director of the Institute for the Study of Diplomacy at Georgetown University in Washington, declared: "African internal disorders ultimately decide events in another country, the voice of the United States is important in those countries that see U.S. interests linked to theirs."

The conceptual signal from Washington has undoubtedly been a factor in recent events in Korea. And that American value will still be important if the authoritarian regime North Korea is to remain closed.

—WILLIAM LOWMYER is Washington

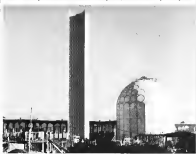


Maroon: reporter

## The nuclear caper

The laundry raised immediate suspicions at the Carpenter Steel Corp. in Reading, Pa. In 1986 a man approached the company about the possibility of ordering 25 tons of an extremely costly and rare steel alloy. The man said the steelmaker that his Pakistani client planned to reach the metal—a process that would de-

liver the nuclear device. While the government of President Mohammad Zia-ul-Haq continues to insist that its nuclear program is for peaceful purposes, most international observers say that Pakistan has either assembled a nuclear weapon of its own or has gathered all the necessary parts. Said Leonard Speiser, a nuclear weapons expert at



International's Institute for Nuclear Science and Technology: Canadian connection

stroy its special, high-strength properties. Concerned by the man's request, company officials called the U.S. Customs Service. A 20-month undercover investigation by Canadian and U.S. officials resulted last week in the arrest of Asif Ali Pervès, a Pakistani-born Canadian representative of Toronto-based Enterprise, in Philadelphia. And if the charges in the indictment against the Toronto-area resident are proven, the investigation will also have uncovered the second

the Washington-based Carnegie Endowment for International Peace "It's as if they have a gag and all the components for one bullet."

The previous row involving Pakistan, Canada and the United States closed three years ago when two Montreal engineers and an electronics firm were fined by a Quebec Superior Court judge for attempting to ship U.S.-made components to Pakistan without valid export permits. During that trial the Crown argued that the electrical parts were intended for a new uranium enrichment plant in Pakistan. As well, in 1986 when the Pakistan government had attempted to place an order for the steel alloy with Carpenter, the U.S. government blocked the deal on the grounds that the material might be used in machines to produce weapons-grade uranium.



Asif Ali Pervès

The suspicious

Last week, according

to the affidavit filed in a Philadelphia district court, Carpenter officials agreed to an deal with the Pervès agent at the request of the U.S. Customs Service. The indictment states that John New, a Philadelphia-based customs agent, pretended to be an international marketing analyst for the company. Pervès, who was arrested in Toronto last November with Pervès, in the company of a Canada Customs agent and a Carpenter executive, New, claimed to Pervès gave a coffering account of why he needed the steel. At first New, a former employee of IBM Canada Ltd., said that the steel was destined for use in rocket motors. But later in the meeting, Pervès allegedly changed his story to say that it was for a research project sponsored by Karachi University's engineering department.

During the following months New expressed in telephone calls to Pervès that obtaining an export permit for the metal would be difficult. As a solution to the problem, the Canadian allegedly suggested that Carpenter offer a U.S. customs department official a \$45,000 bribe for a permit. Later, according to court documents, Pervès lowered the amount he was willing to pay to \$4,000.

Early last January, according to court documents, Pervès travelled to Philadelphia. There he met Frank Ravelli, an undercover customs agent posing as a customs department official. Pervès, according to the indictment, paid \$1,300 as down payment for an export permit. In June, New allegedly told Pervès that he had been able to finalize the deal. The agent told Pervès that he thought the special metal was for Pakistan's uranium-enrichment facility at Kahuta. Pervès first denied the suggestion. But at the end of the meeting, New later wrote in an affidavit, Pervès "told me laughingly that 'the Kahuta chat is ready.'"

David Weaver, the U.S. Customs special agent in charge of enforcement in Philadelphia, said last week that more arrests were expected over the next months. Pervès is currently being held without bail. For his part, Pakistan has denied any connection. But the incident will likely remain a source of trouble to the Muslim nation in the coming months. According to a 1986 law, the immense U.S. and Canadian to Pakistan maps if it is proven that the Islamabad government is building nuclear weapons. Said New York Democratic Representative Stephen Solarz, who sponsored the legislation: "If we don't enforce the law, it will make a mockery of our nonproliferation policy."

—IAN MURPHY is Washington

# Accounting in the West

**F**or the past two weeks 12-year-old Redigned Barco has had trouble sleeping. As a result, she watches TV — as obsessively as takes a sleeping pill. When she becomes really depressed, the Calgary widow quietly sob and says that she worries about paying the August rent. The reason Barco had provided her life savings of \$80,000 in First Investors Corp (FIC), one of two

investor, which would also allow for a thorough examination of their operation. In response to the public furor, Principal Group has two-page newspaper advertisements in several large newspapers across Canada with a message from president Donald Cormia assuring the public that the overall company remains solid.

Although two banks, two trust companies, six mortgage companies and

investigator under the Trade Practices Act, but Saskatchewan Premier Grant Devine has requested calls for an inquiry despite public pressure from approximately 7,000 investors in his province.

Principal Group is a \$13-billion financial services empire which encompasses in its Alberta and western provinces the equivalent of one-stop financial shopping. Its various sub-



Angry investors: Thousands turning out in Edmonton to demand a provincial government inquiry

over a dozen credit unions have collapsed in Alberta over the past five years, the failure of the Principal subsidiaries unleashed an unprecedented uproar. For one thing, neither of the two companies, FIC and Associated Investors of Canada Ltd. (AIC), were members of the Canadian Deposit Insurance Corp. As a result, the interest-bearing investment certificates they issued are not insured. Currently the companies own some 67,000 individuals, primarily from Alberta, British Columbia and Saskatchewan, an estimated \$681 million. Investors in Saskatchewan and British Columbia have also demanded help from their governments. The B.C. government responded last week by appointing an

investor, which would also allow for a thorough examination of their operation. In response to the public furor, Principal Group has two-page newspaper advertisements in several large newspapers across Canada with a message from president Donald Cormia assuring the public that the overall company remains solid.

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Cormia brushes aside dissent: giving assurances that the firm remains solid

consultants and the way in which they sold Principal's now-suspect products. Calgary's Connie Lawson, who purchased FIC/AIC certificates, said that a consultant assured her that the two companies were insured by law to reimburse assets on deposit with a chartered bank equivalent to the value of the investment contracts outstanding. Lawson added that after seeking further assurances, the consultant told her that "I would have the total assets of the Principal Group behind me." Calgary Conservative MIA Gordon Shraike said that numerous consultants have explained to him that financial consultants advised them to move money from Principal Trust, whose deposits are insured, into unsecured FIC/AIC certificates. Said Shraike, "Something is really wrong here."

A former Principal vice-president, Wayne Hileman, added that consultants received double commissions if they persuaded a client to purchase an FIC or AIC certificate rather than depositing money in a Principal Trust account. "It's one reason why so much money was put on deposit," said Hileman. But Principal Trust president John Cormia, one of Donald's two sons, said that double commissions existed only because the investment certificates were not covered by federal insurance, which made them more difficult to sell.

The first indication that the two companies were in trouble appeared in a First Investors prospectus filed with the Alberta Securities Commission (ASC) in early 1986. FIC acknowledged that 80 per cent of its mortgages were in arrears for 90 days or more. As a result, the ASC asked the company to withdraw a proposed issue of common shares. Despite the warning, neither the ASC nor the Alberta government took any action until mid-1986, when the Alberta treasury department conducted a preliminary review. But provincial Treasurer Johnston did not order a thorough examination until last January, after a year-and-a-half revealed that the real estate assets of the two companies had fallen well below what Principal claimed they were worth. And a quarterly report filed with the government in April exacerbated further deterioration in the value of the real estate assets of the two companies.

Johnston and Donald Cormia held a series of meetings but were unable to devise a solution before the government effected the opening of the companies. Meanwhile, the Principal Group took action to avoid bankruptcy proceedings, which would have resulted in a detailed examination of the subsidiaries and their relationship to the parent company. Each subsidiary sold a single \$80 bond to Edmonton

auditor Scott Gyles. Having sold the bonds, the firms were legally able to apply for protection under the Companies Creditors Arrangement Act. Normally, companies use the act to protect themselves from bankruptcy proceedings and lawsuits while trying to devise a survival plan or financial restructuring. But in a severe affidavit, Kenneth Martin, president of the two troubled companies, acknowledged that both were insolvent and unable to pay investors as certificates came due. As a result, the report appointed the chartered accountants firm Shewson & Lybrand as receiver-manager for the purpose of selling off the assets and reimbursing the investors.

Opposition politicians, bankruptcy experts and investors all condemned Principal's move to protect itself. "This was the ritual use of a nominal bond," said Edmonton New Democratic MIA Gordon Wright. "It was an entirely specious convenience," and Cameron Murray, president of the Alberta Insolvency Association, said that the transfer in bankruptcy would have had far greater powers of investigation than a receiver-manager and could have overturned transactions among Principal Group subsidiaries. He added: "It's obvious [Principal Group] has thought this out."

By last week two Edmonton investors, Suzanne Mah and Donald Legum, initiated legal proceedings aimed at having the companies declared insolvent under the Bankruptcy Act rather than the Companies Creditors Arrangement Act. MIA Justice Allan Wachowich, who issued the initial order, put off a decision until at least July 30. But he made an important concession to the investors by stipulating that Coopers & Lybrand report to the court rather than just to the government. Coopers & Lybrand reported Johnston said last week. Wachowich also ruled that FIC/AIC president Martin be cross-examined by lawyers for the two investors.

Although the legal selling will no doubt continue in the weeks to come, and the provincial inquiry may eventually get to the bottom of the affair, many investors are faced with immediate financial problems. For her part, Calgary widow Barco, who ran a firm in Saskatchewan with her husband for 15 years before moving to Calgary, has her rent and property taxes of \$480 a month to worry about. "My pension cheque doesn't cover that and I must eat and pay utility bills," she said. "I never owed before because I always had help. But these last few days, I cry a lot."

—GUYCE JENSEN with JERRY HUNTER in CALGARY



Johnston's warning



stray from one set of hands to another." Onex is attempting to create new jobs and additional wealth, Schwartz said. And he added, "We should certainly be able to buy companies with a total purchase price of about \$1 billion."

Before forming Onex, Winnipeg native Schwartz, now 46, graduated law, taught a graduate-level course in mergers and acquisitions at New York University and worked for a Wall Street investment banking firm, Bear, Stearns & Co. In 1976 he teamed up with Winnipeg entrepreneur I. H. (Irvy) Asper to launch CanWest Capital Corp., which acquired established companies, provided venture capital for promising firms and devised rescue plans for troubled ones. Although they had agreed to a 10-year partnership, Schwartz and Asper parted in 1983 because of personal friction and pressure from their shareholders. Schwartz then formed Onex with \$50.5 million in start-up capital largely provided by former CanWest shareholders.

Throughout the rapid growth of Onex, Schwartz has retained a 40-per-cent controlling interest, with the blessing of some of his major institutional investors. Said George Rogman, a pension-fund manager and an other director with a major stake in Onex: "The concept right from the beginning was that he was the guy we were backing." Schwartz owns all 100,000 so-called multiple-voting shares issued by the company. Under the Onex bylaws, the holders of the multiple-voting shares are allowed to elect 66 per cent of the company's board of directors.

By comparison, the purchasers of the 12 million subordinated voting shares issued in April can elect only 40 per cent of the board. If Schwartz leaves the company for any reason, his multiple-voting powers end and holders of the subordinated shares get all the votes. Said Rogman: "We wouldn't like to see a hostile takeover of the company. That was one way of planning it from the beginning."

But with retaining so much control, Schwartz has rewarded himself and his associates with a generous stock-

dividend plan that will make them millionaires many times over. It provides for an annual dividend equivalent to 20 per cent of any increase in the net asset value of the company. Two-thirds of the dividend is payable to Schwartz and the remainder to his five colleagues. One former Schwartz associate described the arrangement as "extraordinarily rich." But Rog-

man said the 20 per cent of the profit.

Despite its successful string of acquisitions and the solid share offering, the Onex stock has been a disappointment to investors so far. The stock was issued at \$28.50 per share but has been trading in the \$15-to-\$16 range, Schwartz said. That he is surprised and embarrassed by the performance of the shares, and attributes the fall to several problems. Because Onex was a hot issue, institutional investors overpurchased to anticipation of a rapid rise in the price of the Onex shares and quick profits if they sold their excess stock.

Instead, the price started falling and the institutions swapped the market, which drove the price down even further. Schwartz said that most of the major institutional investors in the country participated in the initial offering, which meant there were very few available new buyers once the stock began trading publicly. At the same time, the stock market itself

softened immediately after the news, although it has since recovered. Finally, stagnant sales and profits at Onex Packaging have cooled off investor interest in the parent company, said Schwartz.

But institutional investors who have backed Onex from the start view the falling share price as a temporary setback. Indeed, most say that they have been pleased with the past performance of the companies to date, and expect healthy returns in the future. Said one portfolio manager: "The price of the stock has come off a bit, but I don't think it's a long-term problem." In fact, Onex is now rich in money and is bringing its most recent acquisitions, Purolator and Orbrook Leasing Canada Ltd., up to speed. Schwartz and that he will be looking for further purchases once Onex has digested its new assets. Given its past success rate, and the \$100-million war chest, Onex shareholders can likely look forward to owning a piece of a much larger, more diverse group than the 100,000 shareholders of Onex.

—DARCY JENNER with AND BROOKFIELD in Toronto



Purolator at work in Toronto: borrowing money to engineer a take-over

man insisted that the package is typical of leveraged buyout companies in the United States. He added, "In the venture-capital area there are a lot of them in the United States and Canada that provide for a 25-per-cent



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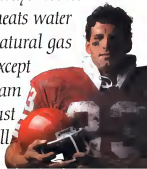
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## BUSINESS WATCH

# Royal Trust challenges the banks



By Peter C. Newman

**T**his week Royal Trust begins issuing some intriguing new financial instruments, which threaten to revolutionize the multibillion-dollar but relatively static guaranteed investment certificate (GIC) market, traditionally reserved for investors seeking to get low earnings on their funds in return for minimum risks. One of these instruments, called a Guaranteed Market Index Investment (GMII), will allow purchasers to choose whether to peg the interest they receive to the Toronto Stock Exchange's index of 35 Canadian blue-chip stocks, or a similar New York Stock Exchange index, or the price of gold, based on the closing daily spot price on the New York Commodities Exchange. The minimum risk comes in because such transactions (at least up to \$60,000) will be insured by Ottawa's Canada Deposit Insurance Corp.

One example of how this new plan would work: If last Nov. 30 an investor had chosen to tie his GMII to a percentage of any increase in the TSX's 35—which went up by 24 per cent by the end of May—his investment would have grown by 94 per cent over the six months, or 19.25 per cent in an annualized basis. That is considerably more than the 120 per cent currently offered by most trust companies on conventional GICs. If the stock market had crashed, there would be no interest payments, but the principal would be safe.

Another new investment vehicle will be the Diversified GIC, whereby 70 per cent of the investor's funds is put in a high-interest GIC and the remainder into a mortgage mutual fund. "It is really an answer to mutual funds," says Michael Corneilissen, Royal Trust's chief executive officer. "We're there in no front-end load and no risk." As for the GMII, it is actually a new twist at the consumer level to the Stock Price Adjusted Rate Certificate (SPARC) introduced by Royal Trust last year. These *flexible deposit certificates* allowed institutional investors to preserve their capital while participating in the stock market's upward trends, which they are only allowed to do under very strict limits at the moment. Interest paid on deposits was pegged to indexes such as the U.S. Standard & Poor's composite 500-stock index. As under the new GMII plan, investors had their principal protected in case the market dropped (Royal

Trust protects itself against market fluctuations in all these bets by hedging its own exposure with futures contracts).

The introduction of such financial instruments is part of Royal's drive to become not only Canada's largest trust company (total current assets \$794 billion) but also its most profitable (1988 net income of \$104 million up 30 per cent from the year before). Royal Trust has been growing so fast



Corneilissen, Royal's management

that its sophisticated functions threaten to turn it into a giant money super-market, instead of the stuffy trust company it was only four years ago.

What changed the once-sleepy company was its acquisition by Peter and Edward Brodman in 1983, as part of their Thriss paper empire. Although Royal's board of directors ranges from former *sen. supervisor Jean Béliveau* to a former Public Service Commission chairman, Jean Fournier, the Brodmans are firmly in control. But

it was Corneilissen, a former South African accountant chosen by the brothers, who turned around the trust company that had so long languished under the noncommittal management of former chairman and chief executive officer Ken White.

"Our corporate objective is to make our clients wealthy," boasts Corneilissen. "To achieve that, we focus on people and technology. Our ratio of staff to computer terminals is two to one, which is very high, and we spend about \$75 million a year on research. We have also moved from the old style of human-resource management, which rewarded people on the basis of their place within the hierarchy, to a system based on their achievement of corporate objectives."

Probably the trust company's most valuable recruit is that veteran Establishment man Hartland MacDougall, who left the internal turmoil of the Bank of Montreal's management race to become Royal's chairman in 1984. He was in 15-hour days, expanding his firm's credibility with major customers, and was recently elected head of the Trust Companies Association of Canada.

Corneilissen says that chartered banks, not other trust companies, are his main competitors now. "And they're competitors," he claims, "not because they're good but because they're big, with a huge branch system, literally 10 times ours. Yet that very size often defeats them because of the time it takes for a bright idea to be translated into action. It often takes so long to get by their many levels of approval that opportunities pass them by. Their style of management worked for the army and the church, but it's out of date in this technology-driven age."

As part of his strengthening of what Corneilissen describes as "a wonderful company that had been allowed to go to seed," he eliminated five to seven levels of management between himself and his customers. Not even trying to hide his delight, Corneilissen reports that a senior vice-president with one of Canada's major banks recently complained to him that there were a dozen reporting levels between himself and the chairman.

The new financial products are part of Royal Trust's aggressive drive to become as large and powerful as the chartered banks that its chief executive officer loves to ridicule.





## 'FABULOUS FERGIE'

The Duke and Duchess of York initially displayed a no-nonsense demeanor when they made their first official appearance together before the Canadian public at Toronto's Queen's Park on July 15. As the 26 guns of the artillery troops of the 7th Toronto Regiment slowly boomed out their salute, the break and businesslike royal couple marched quickly through the park, scarcely glancing at the crowd of more than 4,000 well-wishers who had come to see them. But that seriousness dissolved as soon as Prince Andrew and his bride of almost a year, the former Sarah Ferguson, mounted the outdoor stage set before the Ontario Legislature. There they beamed and grinned toward their admirers and laughed at the jokes proffered by federal Finance Minister Michael Wilson and Ontario Premier David Peterson. Then the ebullient duchess plunged into the crowd and chatted at length with street eyes

who called out to her with the familiarity her manner seems to encourage in Purple. It was a remarkably unscripted debut, and it transformed the tour into an unabashed love-in for the woman who is known to her admirers as Fabulous Fergie.

**Debut:** During the first days of their 30-day Canadian visit, neither Andrew nor Sarah showed any evidence of being borne down by the burden of scrutiny, heavy even by royal-wit standards. This was her first lengthy official trip abroad, and for both Andrew and Sarah, the tour of three Canadian provinces and one territory is their first opportunity to rise above a recent spate of media gossip. It has portrayed the younger members of the so-called Royal Firm as partaking in a summer fling with folly. The name of the duchess's former prominently in many of the rumors and innuendoes that have dogged the Queen's family—from the tales of her jogg-

ing too much champagne to a recent lesbian-poker, self-unfolding day at the Royal Ascot horse races. As a result, 700 journalists, including a herd core of 45 "royal correspondents" from London's Fleet Street, are covering the tour-on alert for the slightest slip in royal decorum.

**Gossip:** Some British columnists speculated that the tour will give the irrepressible, flame-haired Fergie the spotlight that previously focused largely on her more demure sister-in-law, Diana, Princess of Wales (page 32). Although the two remain best friends, gossip columnists claim that an intense rivalry is growing between them. Said Andrew Morton, royal correspondent for *The Star*, a London tabloid: "For the past six years Diana has had the stage all to herself. Now she's found that a woman who said to be a cheerleader is vying for top billing." Added Harold Brooks-Baker, publishing director of Burke's Peerage, the leading authority on the British aristocracy: "Canadians will point to Canada as the turning point in their careers."

Certainly, their first foreign tour together is offering both Andrew and Sarah ample opportunity to show themselves off in his opening remarks at Queen's Park, Andrew spoke reprovingly of a packed schedule "set out by some rather over-enthusiastic staff officers." The Yanks have 30 days of official functions during a visit that will take them from southern Ontario across the Prairies, then north to Newfoundland, N.W.T. On their first Sunday their itinerary included a church service, a public reception and a walkabout in Cobourg, Ont., and then presiding over the 128th rearing of the Queen's Plate Stakes in Toronto. The schedule on their first wedding anniversary. For days later had them opening the rough-and-tumble rodeo in Medicine Hat, Alta. And the prince acknowledged that he was simply a supporting player to the main star of the royal road show: said Andrew. "An everybody's come to see Sarah, and sitting in the wrong side of the car all the time."

After completing their official duties, the royal couple will take a two-week private vacation before down a river—unbooked in the public itinerary—in the Northwest Territories. Andrew has made similar trips in the past with friends from his days as a student at Lakefield College School near Peterborough, Ont. But the experience will be a first for Sarah, who has already given her seals by becoming the first female member of the Royal Family to learn to fly.

**Paddle:** The duchess acquired her first taste of canoeing during the second day of the tour, in Thunder Bay, Ont.

died her paddle while wearing white gloves. And telephoned reports from Toronto that Prince Andrew had set out wearing a tie reached Ottawa only slightly before his arrival in Thunder Bay. That news spared city clerk Henry Kirk to race to Andrew Colley's Men's Wear and borrow a box of socks. Then he distributed them to male dignitaries in the morning, but only moments before the royal arrival.

There was another surprise Saturday when the royal couple arrived to take a boat ride on the Maid of the Mist in Niagara Falls, Ont. The duchess did not have her hat. The reason was that on

prevised public criticism at home. Indeed, Sarah is widely regarded as the catalyst that precipitated this summer's most soap opera, otherwise known as *Dukes at the Palace*. That indulgence is friendly among young royals has drawn ensure all the way from the lowest levels of Fleet Street up to the ramparts of the palace itself.

**Punkie:** The British public had the opportunity to judge for itself last month when the Duke and Duchess of York, along with Prince Edward and Princess Anna, took part in a selected charity event called *The Grand Anoraknot Tournament*. The queen, dressed in re-



Sarah and Andrew working the crowds outside Toronto City Hall—a debut that transformed the tour into a love-in

Then, she and Andrew helped a crew in opaque costumes—along with Sarah's lady-in-waiting, Helen Hughes, and Oskarich Petras, who is expected to sail a September provincial election—paddle a 36-foot-long canoe 130 yards along the Kanawatchew River to Old Fort York. Then they disembarked at a reconstructed version of the fort that was once Canada's greatest fur trading center. Despite their easy manner, the couple surprised many present with their subtle attire. For one thing, the duchess, wearing a floral print, dress, han-

made to the falls from Mississauga, a major electrical problem developed in the eagle's helicopter. Taking every precaution, officials decided to call in a second helicopter to complete the trip. During the transfer the duchess's hat blew off and was swept away by winds from the blades of the aircraft.

**Chaos:** During the first few days of their tour, the Yanks displayed a chaos and spontaneity that quickly won over the crowds that had gathered to meet them. But the same high spirits that endeared the couple to Canadians have

dived outwards, shared from the sidelines as British celebrities played pranks. As a result of such undisciplined antics, the Queen recently "read the riot act" to the young royals, according to Brooks-Baker. The evidently horrified monarch's recorder of aristocratic bloodlines declared: "It is extremely dangerous for members of the Royal Family to conduct themselves in this way. These actions could lead to a republic."

One thing is clear: the friendship of Sarah has brought out the sense of fun in the Princess of Wales. That first be-

came apparent a few days before Sarah's wedding when she and Diana, disguised as polo-ponies, visited the London residence's stables—apparently in search of Andrew's stag party. And it showed itself most plainly last month at Royal Ascot, a premier social event, when Diana and Sarah whisked off their umbrellas in the discomfort of male friends and companions with kisses. The two succumbed to fits of giggles and whistled at the stately proper Princess Michael of Kent. Later, Diana turned to her companion and joked, "Let's get drunk."

**Barriers** At the same time, royal-watchers speculated darkly that Sarah, by introducing Diana to her handsome banker friend Philip Dunne, had brought out something less innocent in the princess. Dunne has denied that anything improper took place during a weekend house party he hosted for Diana and other friends while Charles was out of the country last February. But the supposed scandal underlined the fact that, although the princess steps out ever more daringly into the high society she never knew before, the Princess of Wales follows an increasingly private path in life (page 30) and is clear that Sarah, at 27, a seasoned traveler in such circles, is acting as Diana's guide. But although it is unclear, that society is hardly sophisticated. Declared Britain's *Sunday Times*, "It is the single biggest source of today's royal family that it is still so closely associated with the very upper classes, often at the most stupid level, and some recent behavior has served only to cement the perception of this."

For his part, Brooks-Baker said that the young royal should learn from history that frivolous monarchs fare poorly. But the occasional frolics of the current royal first took pain before the incidents of murder, adultery, gambling and drunkenness committed by some of their blue-blooded ancestors. In the 17th

the budding of a somewhat royal life. Indeed, her eldest son, who succeeded her as Edward VII, was a notorious rake, "as prepared to sleep with a fashionable variety as with a duchess," according to biographer John Pearson. At the end of one most taken in a favored Paris fashions, waters presented him with a naked woman under a vast silver cover.

Managed against these aristocratic excesses, the personalities of this generation of young royals seem absurdly petty—as do many of the breathlessly disapproving accounts of the alleged breaches in royal etiquette. The reason is the intense royal coverage provided by Britain's thriving tabloids, which alternate pictures of bare-breasted women with an inexhaustible supply of stories about such sophisticated characters as Randy Andy (Prince Andrew), his younger brother, Prince William (Edward, so-called because of his decision earlier this year to quit the Royal Marines), Prince Paddy (Princess Michael of Kent), and even Melana (the amply-breasted Lady Helen Wambour, the Queen's cousin).

**Criticism** Despite their rude, irreverent approach, the British tabloids never hesitate to point out royal propriety. "We are not scared" boasted a *Daily Mirror* headline after Sarah and Diana's so-called "bride-fair" at the Ascot races. David Goodman, a *News of the World* writer who co-edited the royal tour in Canada, "We write as much to advise them as to criticize them."

Still, British newspapers were quick to carry infamous stories about the supposed impertinence of Canadian counterparts who dared to criticize the royal

couple—sometimes by adopting Fleet Street's own phrases. Referring to Toronto Sun columnist Ted Welch, who recently referred to the duchess as "a giggling deer queen," Thomas Gifford of the British Press Association news service said: "It's so rude and critical. We have never gone that far in the U.K." And last week the *London Evening Standard* reported on "the astonishing attack on the Duchess of York by Canadian newspapers." But the sharpest jab came from the duchess's own headline on a story about the hostile press reception that Sarah had supposedly received in Canada. It read: "Her giggler flies into storm."

**Reals** For his part, The Star's Martin, author of a book entitled *Jessie Kensington Palace*, to be published in November, stressed that the most recent stories have been created by the young royals themselves, not the media. But the fact remains that such journalism is recovered more for innuendo than its accuracy. Nor is the phenomenon new, either inside or outside Britain. The Paris newspaper *Provenance Dramatique* reported as long ago as 1879 that, in the

past 34 years, the French press had published 60 stories about the Queen's imminent abdication and 70 about her equally likely divorce. And in a editor's league tallying 360 royal rumor stories, it found only two that were correct.

For many Canadians who waited to see the Queen's arrival in Ottawa, the French press had published 60 stories about the Queen's imminent abdication and 70 about her equally likely divorce. And in a editor's league tallying 360 royal rumor stories, it found only two that were correct.

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need for it." Dewdney, 66, added that he has more than 30 portraits of British royalty displayed in his home. Although few Canadians could read such material, their response to the current tour has indicated that monarchist sentiments are still strong. Indeed, besides Sarah and Andrew, Canada has already welcomed the Queen Mother, Prince Philip, Prince Edward and Capt. Mark Phillips, the husband of Princess Anne, on separate visits this year alone—and the Queen is scheduled to make a 16-day visit during the Commonwealth conference in Vancouver in October.

**Conquered** Clearly, many who have watched Sarah become into a crowd of excited royal-watchers would agree with the *Daily Express's* contention last week that "the excentric Duchess of York is pulling her very best into the hearts of the Canadian people."

With the sturdy Prince Andrew by her side, she has made a conquest that no amount of giggling or "bride-fair" will undo.

—JOHN BARBER with THOMAS GIFFORD, a Toronto and PATRICIA KENNEDY in London



Magnus, Peterson, Sarah and Andrew at Old Fort Williams: white gloves and ties



Duchess at hotel dinner (left), arriving at Ontario Place along sidewalks



Prince Andrew at Ontario Place

## Canadian Shield At The Palace

Last month many British newspapers devoted space to a supposed royal scandal, which alleged that the Princess of Wales was romantically linked to a 28-year-old banker. At Buckingham Palace, Victor Chapman, a transplanted Canadian public relations officer, dealt with the gossip in characteristic fashion—by persistently refusing to make any comment. But that approach has not endeared Chapman to the royal watchdogs of Fleet Street. Declared Richard Compton-Miller, a feature writer for the *Daily Express*, for one "I try not to use him. He is very rude to the press and stopgapper."

Still, Chapman's steadfast style—he played professional football in Calgary, Vancouver, Edmonton and Montreal for 10 years until a broken leg ended his career in 1982—has earned the confidence of his royal employers. His scheduled four-year tour of duty as assistant palace

press secretary was extended for a year while a new chief spokesman, Roderic Sawyer, learned the intricacies of guarding the royal gates. Chapman, 55, is conducting media relations for the Duke and Duchess of York—titles that he insists upon using—on their current Canadian visit. It is Sarah's first lengthy foreign tour, a trip that the British media have pronounced to be her "Elinor" as a royal.

Before Chapman entered royal service he worked in Ottawa for 14 years—first as a press aide who handled media travel arrangements for then-prime minister Pierre Trudeau and later as a freelance public relations consultant whose contracts included co-ordinating media relations for royal tours in Canada. That specialty brought him to Queen Elizabeth's attention, and in a June 1982, audience the Queen asked the former receiver and all-star punter to become the palace's assistant press spokesman. Declared Chapman at the time: "The job will not be made any easier by the British press." But for five years he has navigated his post on the edge of the media spotlight that is currently focused on the royal visitors to Canada. His task is to help them pass the test. □



Chapman: stopgapper

# The Man Who Will Be King

At 38, he is one of Europe's most politically concerned royals. But Britain's Prince Charles appears to many observers a sad, lonely, somewhat neurotic figure—trapped in the unenviable position of having to wait years, perhaps even decades, before taking over the job for which he has been trained since birth. As unfortunately for Queen Elizabeth II, the Prince has immersed himself in such laudable causes as rural conservation and the revitalization of Britain's inner cities that his mother is a healthy 60 and has given no indication that she is about to abdicate the throne in order to give her son meaningful work. As a result, Charles remains, as Henry James wrote it in a new biography of the Prince of Wales called *Charles*, "plagued by the belief that he has no role."

**Grudge.** According to some royal-watchers, despite his assured manner in public, Prince Charles suffers from a shortage of self-confidence. If so, it is a problem that First Street has done nothing to alleviate. In contrast to promoting the image of his wife, Diana, as a glamorous member of the jet set, Britain's sensation-seeking tabloids tend to ridicule the prince-as-waiting either as a vengeful, cruel creature of a born-again, or as a neurotic. Prince Charles' highly publicized interest in holistic medicine, Buddhism and equine therapy is seen by his detractors as evidence of possible mental insecurity. Indeed, the man who would be king is frequently portrayed on spotting footage, a satirical paper, show broadcast on Britain's Independent Television network, as a middle-aged hippie, chasing warblers and singing to potted flowers. But Charles, in a 1985 interview with ITV anchorman Sir Alexander Burnet, "I'm becoming more confident in I get older."

As someone who has spent his entire life in the glare of the media spotlight, Prince Charles is well aware of First Street's insatiable appetite for stories about the Royal Family. But even he must have been surprised by the over-



Charles: a sad, lonely figure who wants to find out how his subjects live

tion to his decision last May to spend three quiet days alone, planting potatoes, mending fences and mowing up sheep on a sparsely populated island off the northwest coast of Scotland, Britain's best-selling daily, *The Sun* (circulation: four million), splashed the story across its front page under the headline "A lion again." The newspaper then described the visit as "the petty Prince's strange quest for inner satisfaction." In fact, a spokesman for the Royal Family said later that the heir apparent had simply wanted to experience for himself the day-to-day life of a Scottish farmer. The spokesman added, "One day he is going to be king, and before then he wants to find out how his subjects really live—to see life through their eyes."

First Street also relished Charles' visit to Africa in April, when he stopped by Gaborone, Botswana, to see his close friend Sir Laurens van der Post, an 80-year-old South African writer who has produced several books and television films about the lives of the Kalahari Desert bushmen. One British newspaper modestly suggested that Sir Laurens planned to invite the prince "to host and lead and walk to the skies while shuffling in a sacred dance with bushmen" in an attempt to "come to terms with his troubled soul." But that seemed silly in view of Charles' well-known concern for the plight of the bushmen, who are being driven toward extinction by advancing technology. In a more sympathetic account, the *London Evening Standard* commented, "Charles projects an inner strength and introspection, a terrible, hapless decency."

In his search for a more significant and fulfilling role, Charles has taken an active interest in conservation, modern architecture and housing. He has strongly exposed the need to safeguard the environment, and says that he is appalled by the conditions in some of Britain's decaying urban areas.

**Militant.** But even his attempts to do something useful occasionally land him in controversy. In a speech in London last year Prince Charles said that Britain's construction industry was "cranky" to go ahead with new suburban housing projects at a time when the country's inner cities were badly in need of re-

development. In response, one developer accused the prince of being "backed by the Ivory Tower brigade," referring to a militant group of environmentalists.

Many observers have criticized Charles for making bold pronouncements that are apparently based on very little research. But some have concluded that his overall aims are together in a consistent, sound political philosophy—one that embraces the classic tenets of social democracy. If, as it is said, the British public likes its royals to speak their minds, Charles may allocate certain sectors more because he speaks more from the heart.

—BRIAN LAFAY in London

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# The Princess And The Duchess



Sarah, Diana and Susan Elizabeth at Ascot; (right) Sarah playing a flea

They are two of the most photographed women in the world. And recently the press has been focusing attention on the relationship between the Duchess of York and the Princess of Wales. Some reports concluded that the reformed, introverted, sporty Sarah is stealing the spotlight from the glamorous, fashionable, well-loved, fun, Diana. Others have speculated that their playful antics in public have embroiled other members of the Royal Family. Many predict their friendship will be a hot-thing one. Clearly, Sarah's entry into the family has provided "a bit of wit" with someone to help her share the duties she must perform in preparation for her future role as Queen of England. And while the duchess, 37, and the princess, 36, are the closest of friends, the differences between them—and the personalities others have of them—are juicy.

## THE PRINCESS OF WALES

**Weighty Matters:** The five-foot, 11-inch princess's weight has waxed and waned through two pregnancies and now is an estimated 15 lb. lighter than when she was married (actual royal weights are a palace secret) to Prince Charles almost six years ago. According to Britain's *The News of the World*, which recently described the 34-year-old Diana as lately being "fitter than fitter," the princess lives mostly on a diet of fish and meat, nuts and whole wheat bread. At school, she did not complete her secondary education. Before her marriage at the age of 20, she took a Gordon Blue cooking course and had a short stint as a preschool nursery teacher.

**Favorite Things:** Between her official engagements—she left last year numbered 138—Diana shops, lunches in fashionable London restaurants, plays tennis and lis-



Diana: every move is scrutinized



ten to Dixie Smith's tap-dance bar Walkman. She has been taking riding lessons from Sarah. A fan of modern dance, Diana last August surprised a London theater audience—and startled her husband—by performing a jazz routine with dancer Wayne Sleep on stage during a music hall show at the Strand Theatre.

**Personal Style:** Fashion is the most published of the princess's passions. Hundreds of copies first copied Diana's glamorous hairstyles and then her wedding dress. More recently, she has made published style books and author dresses popular. Seemingly obsessed with clothes—and rarely seen in the same outfit twice—she is primarily responsible for the increased popularity of British designers, whose clothes she wears exclusively in public. The amount of her husband's annual \$5.5-million income which she devotes to her wardrobe has been the focus of endless media speculations.

**What People Are Saying:** Diana has been the focus of rumors about everything from anorexia to extramarital affairs, and her every move has been scrutinized—and, more often than not, criticized—by the press. More recently, attention has centered on her mercenary mood, and this month's *Reddy Play* magazine ran an article which claimed that Diana is being subjected to "dangerous pressure" by the



public scrutiny. Commented Daily Express columnist Ann Rook: "The Princess of Wales has totally forgotten that she is the future Queen. She's dithering with all sorts of what we call Hoem's Eency and Chiquette Charleys. People are saying, 'Ah well, she's young.' Now come on. She's 36 and the mother of two children."

## THE DUCHESS OF YORK

**Weighty Matters:** Since her marriage a year ago to Prince Andrew, the five-foot, 11½-inch Duchess of York is reported to have lost about 25 lb., which *The News of the World* attributed to both hypnosis and a diet of oranges and red meat—especially steak. After receiving the equivalent of a Grade 12 education, Sarah went to secretarial school, where she ranked lowest in her class. She has worked as a temporary office worker in an apartment rental agency and as a secretary at both an art gallery and a public-relations firm, where—again according to newspaper gossip—she resigned her employer by "spending a great deal of time on the phone, dealing with her social life, being up nights on." She is now employed part-time as a London acquisitions editor for the Granta publishing firm and at a reported salary of \$46,000.

**Favorite Things:** After receiving her



Diana (left), Diana and Sarah on Ladies' Day at Ascot, a passion for fashion

pat's wings last February, Sarah now wants to learn how to fly a helicopter—her husband's job is the Royal Navy. An equestrian, swimmer and tennis player, the duchess has also taken up photography and singing lessons. Her musical tastes range from Mozart and Beethoven to Eric Turner, Elton John, Phil Collins and Bruce Springsteen. Unlike Diana—who is a great fan of television soap operas *Dallas* and *Dynasty*—Sarah prefers ap-



Sarah: pilot's wings, learning to sing

plish her novel by John le Carré, Frederick Forsyth and Lee Dargatzis.

**Personal Style:** Once nicknamed the "Duchess of Yuck" for her then-podgy figure and frumpy clothes, Sarah, now 36, has become a close second to Diana in fashion awareness—in the near-unanimous approval of former critics. Since her weight loss, Sarah is seen more often in light-dining clothes with shorter hems. Although she favors the work of Yves Saint Laurent—she brought \$2 of his outfits with her to Canada—she owns many designs by London's Alexander McQueen. With the Yorks' combined income of about \$100,000 and a Saint Laurent evening dress typically costing \$18,000, royal-wedders have expressed curiosity as to how the couple manages to survive.

**What People Are Saying:** For the most part, the duchess has charmed the press. But some say that her enthusiastic nature has rubbed off to an extent on Diana. Said Ken Lennet, a London *Star* photographer who has followed the royals for eight years: "When the two of them are together it can be dynamic. They guide, they laugh and they deal behind the backs of everyone else. They are very high-spirited—and they are very young girls."

—NORA GREENWOOD with  
SARAH DUBIAN in Oxford



The new Canadian women's tennis champion, **Helen Kakoi**, is the daughter of the wealthy country club tennis player. The 17-year-old daughter of Canadian-born immigrant parents, Kakoi has never been able to afford high-priced coaching. Indeed, the Richmond, B.C., native is still coached by her father, **Mike Kakoi**, who started to play tennis in 1970, two years after coming to Canada. Like her rival, former Canadian champion **Carling Bassett**—who did not compete in this year's Canadian championship—Kakoi was a tennis prodigy. She said that winning the Canadian title will help her in her next



Kakoi fighting to win every point

international meet, the Player's Challenge in Toronto from Aug. 17 to 22. Said Kakoi: "If I just go out and play the ball—not the other player—I think I will do well."

Former Presbyterian secretary **Jessica Hahn** is set to reveal her side of the story in the sex issues that caused the downfall of television evangelist **Jim Bakker** last spring. Her lawyer, **Dominic Barbera**, said that Hahn's account of the sexual encounter with Bakker is scheduled to appear in the September issue of a men's magazine, which he would not name. He said that the magazine deal and possible book and movie contracts could earn \$5.5 million for the 38-year-old Hahn. Meanwhile, Bakker's lawyer, **Malvin Bell**, appeared untroubled by Hahn's stunning revelations. Said Bell: "She reminds me of the girl who was seduced in the blueberry bushes back home. Her mama should tell her not to go around talking about such things."

With this summer's release of her second album, **Whitney Houston** has realized a dream—to sing with her mother, **Cherry Houston**. The elder Houston, a respected gospel and blues singer, performs with her daughter in a heart-felt duet, *I Know How to Suffer*, on the Whitney album. Emerging from a music-oriented background that includes her 33-year-old mother, first cousin **Donna Warwick** and family friend **Aretha Franklin**, Houston, 23, exploded onto the music scene in 1985 with a debut album, *Whitney Houston*, which sold 18 million copies worldwide. Says Houston: "My mother is my teacher, my adviser—she's my greatest inspiration."



Houston realizing a dream of singing with her mother

It is billed as the world's only international film festival and boasts 115 performers, including such renowned comedians **Monty Python's Graham Chapman**, deadpan American **Steven Wright** and the 81-year-old master of the one-liner, **Henry Youngman**. The *Juste Pour Rire/Fest For Laughs* annual Montreal festival started as a French-language event in 1983 and began to include English acts in 1985. This year organizers expected about 100,000 people to attend the 11-day event, which started on July 8. Hosting four English-language acts was **David Spade**, 42, of the *Wings* pop-bore comedian, whose spotlight act included jokes about growing up Jewish. It is a bilingual comedy. "My father never lived to see his dream of an all-Yiddish-speaking Canada."



Spade humiliated

Actor **Lee Remick** is to go to wit-witness that director **Stanley Kubrick** at first told him that he could not play a beleaguered U.S. Marine drill sergeant. But the Vietnam War veteran, whom Kubrick had hired as technical advisor for his recent Vietnam movie, *Full Metal Jacket*, had been a marine drill instructor in the 1960s. Deter-

mined to get the part, Remick, 42, used like a drill sergeant in videotaped interviews with extras, thereby persuading Kubrick to cast him as the rebel. Said the Kansas native: "I am my three or four lines that don't have a swear word in them, but you would find that you have just been verbally abused."

The first Soviet artist to have a solo exhibition in North America is a staunch defender of religion in art, **Alexander Serebrennikov**, 44, visited Canada this month and showed his recent works at galleries in Vancouver and Toronto. The Moscow artist, who was on his first North American visit, praised Canada. "The people are friendly and the country is beautiful." But he was less charitable about contemporary North American art. Said Serebrennikov: "Abstract art flourishes in North America because the continent's artists tend to have a weak grasp of craftsmanship. In one hand, they have a 'beer' in the other, a paintbrush."

—Edited by TYRONNE ORS



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## THE WINTER OLYMPICS

# Securing the Games



Review of the 1972 Munich Olympics: massive security in Calgary



Since the massacre of 11 Israelis by Palestinian gunmen at Munich in 1972, the threat of terrorism has haunted the Olympic Games. Indeed, the drawing of security personnel for the Games in terms as complex and sophisticated as that of the Olympics. Last week, the Calgary Police Service and the RCMP outlined some details of their preparations for the 1988 Winter Games and the massive security network they will direct from a joint security command centre on the second floor of the downtown police headquarters. Said city police Sgt. L.A. (Len) Baker: "We are not going to disclose the rate and scale of this operation, but if terrorists are thinking of coming here, we would like them to know we are prepared."

The creation of the joint command force underlines the security challenge posed by the Games. For terrorists seeking a global platform, the Olympics—which attract more members of the media than they do athletes—offer an inviting target. The Calgary Games organizing committee (COG) expects about 2,000 athletes, but as few as 2,000 accredited journalists—in addition to the 2,000 employees of the official television broadcaster, whose coverage will reach an estimated global audience of 1.6 billion.

The city police will secure events held in Calgary and the area will be responsible for security outside the city. But all security matters will be channelled through the downtown command post, where computers connected to Interpol data banks provide a checklist of suspected terrorists. Said Baker: "There is a constant overall threat assessment under way. And we will assess the security required for individual cases." Security checks have begun on the more than 10,000 employees and volunteers who will work in the athlete villages and the Olympic locations at Mount Allan, Canmore and Calgary.

The police forces are also concerned with the security of International Olympic Committee officials, heads of state and leaders of national Olympic committees during their visits to Calgary. Although no bodyguards from foreign countries will be permitted to carry weapons in Canada, in September the first of 1,000 police volunteers will begin training sessions in basic security, awareness of authority, public relations and how to deal with possible defectors. And normal police training will be suspended in favor of crash courses in Olympic-type security.

The fact that there were no terrorist incidents at the 1984 Los Angeles Summer Games provides the Calgary security forces with a valuable example. Last May security experts—including officers of the Canadian Security Intelligence Service, Los Angeles Police Department (LAPD) and federal immigration department specialists in

symposium in Calgary for RCMP and police officers from Calgary and across Canada on what they might expect next February. Said Sgt. Richard Merris, who headed the LAPD Olympics anti-terrorism unit: "Twelve hours are doing a damn good job on security. In reality, it's impossible. The key is tight security in Los Angeles, we definitely deterred terrorism."

Although Calgary police refuse to confirm the size of the Games security force, four seven-man tactical squads—equipped with Remington 308 rifles—are now honing their marksmanship on Calgary weapons ranges. The squads will take up 24-hour duty in late January when the athletes and media begin arriving for the Games. The municipalities will be located behind high security fences in specially guarded Olympic villages at the University of Calgary and in Canmore, 100 km west of Calgary. The media will stay either at a complex of middle-class-like structures or at a conference development, and will pass through strict security checks there, at Games' locations and at media centres.

The Calgary police's augmented security force—bolstered by hundreds of RCMP officers from posts across the country—will include a large number of plainclothes officers. And to few Mounties for Games duty, Alberta courts will reschedule criminal trials set for February. Explained Barbara Lacroix, public affairs officer for the Alberta attorney general's department: "Criminal trials will be replaced by civil actions on the docket. We are not closing the courts, just adjusting throughout the province for the new presence in Calgary."

The re is to plan to involve the Canadian Armed Forces, except as backup in the event of a disaster. At the 1976 Montreal Olympics, the first summer Games held after the Munich massacre, more than 8,000 troops guarded athletes and spectators. Said Insp Gordon Shaw, Olympic security co-ordinator: "The military are highly mobile and take away from the civilian of the Games." The deployment of the military in Montreal also contributed to the 1976 Games' \$90-million security bill, 60% of the security budget is a relatively modest \$12 million. Explained Shaw: "Our games are on a much smaller scale of the summer Games. And we have a different strategy toward security." For the next seven months the joint force will rehearse and refine that strategy. As Calgary police spokesman Grant Howard put it: "From a media point of view, security is almost nonexistent once the Games begin. If all goes well, it will not be the Games' bug story."

—JOHN BOWSE in Calgary



When it pours,  
Red stands out.



Rome's crowded Spanish Steps: North Americans are returning to Europe, but the dollar has declined sharply since 1985

#### TRAVEL

## Europe welcomes a peaceful invasion

Gillian Barnes began packing for her first trek to Europe last week—a 21-day bus tour of Italy that she had originally planned to take last year. The 74-year-old widow from Columbia, Md., said that she cancelled her 1986 air and tour reservations for safety reasons. She added that she was concerned about being caught in retail-streets-turned-battlefields after U.S. warplanes bombed Libya in April, 1986. Many other U.S. citizens—and, to a lesser extent, Canadian travellers—made similar decisions last year. But concerns about terrorist attacks—and the health hazards posed by radiation from the damaged Soviet reactor at Chernobyl—have receded, and North Americans are returning to Europe in near-record numbers. Declared Barnes, a former secretary who plans to tour Italy with a group of senior citizens. "Things seem back to normal now. And when you get to our age, you can't keep putting things off."

Certainly, 1986 figures show that Canadian travellers were much less concerned about being injured or killed in terrorist attacks in Europe than their U.S. counterparts. Statistics Canada officials note that 1,102,000 Canadians visited Europe last year—only 163,000 fewer than the number who went to the continent in 1985 when Eu-

rope was enjoying a boom year in tourism. By contrast, only 3.1 million U.S. citizens travelled to the continent last year—a 22-per-cent drop from the 4.4 million who did so in 1985. Declared Patrick Greene, the editor of *Canadian Travel Quarterly*, a Toronto-based travel industry magazine, "Canadians do not have the same fears about as Americans—they don't feel the targets." But even many veteran travellers will receive a financial shock upon arrival in such popular destinations as Britain and France. That is because the U.S. and Canadian dollars have declined in value against most Western European currencies since 1985—causing a 50-per-cent rise in the price of a London or Paris holiday. Now, U.S. tourists must tender \$1.60 for each pound note they receive—with Canadians paying \$2.16 for a similar exchange. At one point in 1985 the pound and the U.S. dollar were almost at par.

As a result, a single room at the fashionable Ritz Hotel in central London now costs \$295 per day—up from 1985 rates of around \$230. And even travellers who choose more moderately priced hotels in the suburbs of the British capital will still find that lodging expenses have climbed steeply. For one, the Bohemian Gate Hotel, a Surrey establishment that is a 20-minute

subway ride from central London, now charges \$158 for a single room (including breakfast) that costed \$92 in 1985. Still, British authorities say that they are expecting 600,000 Canadians and 3.5 million U.S. visitors to visit Britain this year. And while exchange rates are no longer favorable—and prices for entertainment, food and lodging have risen—the officials agree that North American travellers can still find bargain airline fares to Britain. Indeed, British Airways officials say that they are now offering Canadian special return fares that cost \$636 this month—well below the normal 1986 peak season fare price of \$839.

In the same way, French, Italian and Greek officials are also forecasting increased numbers of visitors. Dimitris Delis, a branch manager for Toronto-based Apollo Tours, says that the travel agency's bookings to Greece had increased by almost 70 per cent in one year. Said Delis: "There is no propaganda, no problems in Europe, so people are travelling." Gillian Barnes, a silver-haired American, is one of them—printing in a peaceful Italian town that is a relief to the continent's jangled tourist industry.

—MALCOLM GRAY in Toronto with correspondents reports

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## A tale of treachery

Despite the British government's determined efforts over the past year to prevent publication in Australia of *Spycatcher*, a tale of treachery in high places, details inevitably leaked out. Newspapers and magazines all over the world, including *Weekend*, have printed stories based on its contents. Last week, when New York-based Viking Penguin Inc. published the book for the first time, the floodgates burst wide open. That event occurred in April the end of Prime Minister Margaret Thatcher's increasingly futile efforts to suppress publication of the book's allegations in the interest, she insisted, of national security. By week's end, *Spycatcher's* Canadian publisher, Toronto-based Stoddart Publishing Co. Ltd., had also decided to print and distribute the book. According to vice-president Nelson Doucet, "A substantial number of first-run copies—in the five-figure range" will be rolling off the presses this week and should be in stores by early next week at \$24.95 a copy.

With Viking's first print run of 50,000 copies selling out in U.S. bookstores, Doucet said that Stoddart, which has owned Canadian publishing and distribution rights for three years, had felt persuaded to make its

***'The freedom of the press is at stake. We don't want a foreign country to tell us what we should read or publish'***

own move. Declared Doucet: "The longer we waited, the more our investment was affected in a negative fashion. Copies were starting to slip through the border." But earlier in the week Doucet had hesitated in making that decision because of a turn of events which he said was "totally unexpected." Toronto law firm McCarthy & McCarthy notified him that the British government had re-

tained them to try to stop Stoddart from publishing.

Doucet said that he first heard rumors of that development early this month when reporters from two newspapers called to question him about it. But he did not hear from the law firm until the middle of last week, when he received a letter from McCarthy lawyer John Finlay. "It was a mild letter," he said. "It only made reference to the fact that the Australian case was not yet finalized."

Last July the British government sued *Spycatcher's* author, 71-year-old Peter Wright, in an Australian court, accusing him of violating his promise not to disclose the inner workings of MI-6, the British counterintelligence agency where Wright worked as a high-ranking officer from 1955 to 1978. The government lost its case last fall but in March announced that it would appeal the decision. Those proceedings are scheduled to begin next week in a New South Wales Appeals Court.

Doucet said that he does not think the Australian case has any legal significance in Canada. At the moment, he said, the British government's efforts to prevent publication in this country were "delays tactics, a last-ditch effort to scare us into not proceeding." As for the legal consequences

of his decision to publish and be damned, Doucet said, "Your guess is as good as mine."

It is unlikely that questions of security had much to do with the British government's actions. Indeed, *Spycatcher* will probably prove more of an embarrassment than a threat to British government leaders. Rejected *The Canadian Autobiography* of a Senior Intelligence Officer, *Spycatcher* is an embittered account of MI-6 members' spying adventures. Writes Wright: "We lagged and bumbled our way across London at the state's behest, while pompous hawker-hatted servants in Whitehall pretended to look the other way." Rich with details of treason, coverups and assassination plots, *Spycatcher* also charges that 20 members of MI-6 tried to topple Prime Minister Harold Wilson because his frequent trips to Moscow made them suspect that he was a Communist agent. As well, Wright says in his book that the CGB, the Soviet intelligence agency, may have fatally poisoned Labour Party head Hugh Gaitskell in 1963 to clear the way for Wilson, who took over the party leadership and became prime minister in 1964.

*Spycatcher's* index contains an intriguing reference under "Canadian Intelligence." It appears in connec-

tion with an operation called RABBIT, which Wright describes as a breakthrough in deciphering techniques that enabled MI-6 to establish whether Soviet agents were receiving radio transmissions from Moscow. In 1961,



Wright: treason, assassination plots

Wright outlined the plan to Central Intelligence Agency official William Harvey—"already a living legend in the CIA for his hard drinking and over-the-top manner"—in the hope of persuading the U.S. organization to

join forces in the operation. As Wright tells it, the following exchange took place:

"Who else knows about RABBIT?" asked Harvey.

"I told him we involved the FBI and the Canadian RCMP fully in our development program."

"The Canadians," exploded Harvey, clenching the table in anger. "You might as well tell the f— in *Pumpkin* are the Canadians!"

"I'm afraid we don't see it like that. The Canadians are trusted members of the Commonwealth."

"Well, you should tell them to get on their knees!"

Said Doucet: "It is a marvelous book, a sheer pleasure to read. We think it will be a major best-seller in Canada and go right to the top of the list." Doucet added that his decision to publish was also based on a question of principle. "You see, the freedom of the press is at stake. It is a very important case in that vein. We don't want a foreign country to tell us what we should read or publish." But from the British government's point of view, Canadians—at least in publishing circles—may well be about to lose their laurels as "trusted members of the Commonwealth."

—MARY MAYER in Toronto

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# Telling tales on Saturday Night

By George Bain

Saturday Night, Canada's oldest magazine, 100 years old this year, is a number of things. It is the country's prime award-winner of recent years—probably ever, recognizing that several awards at which the magazine, owned by the Hearst Corp., has won, award themselves, remain a relatively new phenomenon. It is also the magazine that many more Canadians than lay a point to and say, "Now this is class journalism." Then again, it is a magazine that bore some people-including, unfortunately, advertisers, as Robert Fulford, the recently signed editor, ruefully acknowledges. "They didn't like us," he says. "The magazine didn't appease them." But what *Saturday Night* absolutely, positively, definitely is not—and never has been—is a haven of insight.

That is not likely to change under John Fraser, the new editor, although Fraser has a taste for entertaining gossip, with just a light dusting of malice, as reflected in his 1986 book, *Telling Tales*, he may find further room to exercise that in *Saturday Night*. Meanwhile, we are left to marvel at the fact that two old private-school pillars of the Toronto community could have managed the transfer of a so sober an institution as to produce a boisterous performance. Pierre Berton, a veteran of journalism, Norman Webster, the seller, editor-in-chief of *The Globe* and *Mail*, and Conrad Black, the buyer, financier, budding media tycoon and semiregular journalist (as contributor is the *Globe's* Report on Business Magazine, mainly on Conrad Black).

Toronto Star columnist Joey Singer, who almost single-handedly represented humor in Canadian daily journalism, found the performance so strong as to almost—Singer is a generous individual—lose his job in the process. But for the insertion of the greatest number of needles with the least number of words, the plan must go to Berlin, whose letter to the Star inquis in wonderment at the fact that the deal-makers had arrived at a price—\$200,000—but seemed uncertain who was supposed to pay it is wise, and ended, "I grew weary when that *Globe* old man

with the editor-in-chief as one party to the sale and a retained columnist on the other, turned first to Fulford to try to find out what was going on. Fulford suggested the acquisition be redressed closer to home.

But the comedy does not end there. Webster, as point man for Hearst, Incorporated Inc., a family company, had on offer the whole of what is called *Saturday Night* Group, including the magazine and *Saturday Night* Publishing Services, a publisher of other people's magazines. The latter, if it doesn't make money (different people say different things), doesn't lose as much as the magazine. Black wanted the magazine but not the publishing services—what, in the circumstances, was akin to buying the front end of the cow, the part that is his, but passing up the other end, the part that may (or may not) give milk.

## Black wanted the magazine not the publishing services—which is akin to buying the part of the cow that eats

Webster, for his part, was giving up the magazine, which has been a drain only at paying for itself; you can't have everything—and buying still on his hands the part he may have been most bent to be rid of.

Clubs of *Saturday Night* Publishers Services, called simply Publishing Services since the sale, include *The Globe* and *Mail*. When the newspaper launched its Report on Business Magazine, *Saturday Night* Publishing got the contract for the physical production. The magazine is what is published by the press, but Publishing Services still does the art and editorial content for the *Globe's* quarterly travel magazine, *Destinations*. Some other clients of Publishing Services are the CBC (*Radio Guide*), the Royal Bank (a quarterly called *The Royal Bank Reporter*), the Ontario Ministry of Natural Resources (*Landward*) and the Ontario Ministry of Tourism and Recreation, for various publications, all institutions on which Webster, as editor-in-chief of the *Globe*, may be called at any time to comment. It is evident in the *Globe's* own magazine that Publishing Services does fine work, but the relationship is scarcely as the

newspaper, with its fierce interest in appearance of possible conflicts of interest, could not be expected to pass over without comment if diagnosed in the political realm.

Also among the wily aspects of the affair is that even before the deal was made, Conrad Black (*Upper Canada College*, Carleton University, *Laurier*, McGill) stole some Webster (*Rochester School*, *Bishop's University*, St. John's College, Oxford), his *Romanian* correspondent, John Fraser (*Upper Canada College*, *McGill University*), to be his editor. The story came out not via Webster (not correspondent Fraser nor even *senior Black*, but Richard Grey, *London* correspondent of *The Toronto Star*). Fraser has been the *Globe's* London-based correspondent since June, 1984, he will almost certainly be succeeded by George O'Brien, chief of Fraser, who will be taking over on Oct. 1, arrived at Upper Canada College at the same time as Black—they were great friends in the prep school—and he has told the story of their leaving the senior editor of the same time their other separate black clouds, he with a seven in physics and Black over some released black-pink involving examinations papers. Fraser says that he is under no pressure to show an early plot—his hand, generally, is strengthened by control that defuses the role of the editor and proprietor in his satisfaction—but he comes with some skin, which he is not prepared to divulge yet. It is evident that he intends to try to do something about the magazine's current general loss of market share; he has been looking at show more than 65 per cent of its buyers are in southern Ontario, which he interprets as mainly Toronto. He wants to see if he can move strongly to claim to be a national magazine, while maintaining a focus on what he calls the natural boundaries of politics and the arts.

As a theatre of the arts itself, *Saturday Night* has staged its own dramas, especially in the 1970s, when its hand kept sinking below the water. It was dragged up again by Fulford, leading bankers, private loans, playing the loan—ruler in which, he says, laughing, his brilliance has been rewarded by massive science. Fraser has the good fortune to come in as theatre manager with sound financial backing and a natural success warranted in his evident by the previously unspecified salary for discussion of his aid and new employees.

# Taming the beast within

THE CLOSING OF THE AMERICAN MIND

By Allan Bloom

(General Publishing, 320 pages, \$24.95)

Allan Bloom's new book, *The Closing of the American Mind*, is a harsh defence of a particular educational ideal—and a warning that American universities have almost given up trying to attain it. Bloom, a former professor of political science at the University of Toronto, now teaches political philosophy at the University of Chicago. He is best known as a translator of works by Plato and the 18th-century Swiss-born philosopher Jean-Jacques Rousseau, both of whom found the quest for how best to govern political society, inevitably, raised to the question of how human beings should be educated. And although Bloom's latest book is a critique of the American university, it is also a thoughtful analysis on the spirit of contemporary society.

Bloom challenges the utilitarian assumption, common to American and Canadian universities alike, that universities should provide students with marketable skills and conduct socially useful research. Ideally, he says, they should instead present a vision of higher goals that are found in the day-to-day world, and should stand apart from society as the independent centres of free thought and inquiry. Those are precisely the qualities, Bloom argues, that are least likely to be found in a democracy, in which the role of common democratic of public opinion often holds sway.

In a heavy, clear, impassioned style, he declares that the contemporary university has all but abandoned its mission—and has failed to counteract the effects of popular culture. Semifamous adolescents have had their sensibilities shaped by premature sexual experience and brutalized by constant exposure to rock music, which Bloom emphatically dismisses as "junk food for the soul."

Most importantly, he says, modern youth is skeptical about morality and the concept of ultimate value, having uncritically accepted the notion that one opinion or way of life is as good as another.

That relativism about values, which underwrites the effort to reason about life, is itself a product of such Western thinkers as Rousseau, Friedrich Nietzsche and Max Weber. North American academics, Bloom maintains, have absorbed their ideas without assessing their implications. He is doing, they have helped promote relativism, while failing to accept students to understand its link to Western culture, or to question it. Education, says Bloom, should be "the taming or domestication of the soul's raw passions." Instead, it reinforces every barbaric tendency students bring to university.

It is difficult to deep the power of Bloom's argument. But even those who share his disgust with the chaos of contemporary culture may find his low opinion of democratic man hard to take. Unless the reader accepts Bloom's sweeping suggestion that democracy is intrinsically dangerous and requires the guidance of a wise elite, it makes little sense to ask the university to take on the job of tempering democracy's worst impulses.

Bloom also fails to provide an answer—other than the study of great books—to the question of whether ultimate truth exists, in that, he is more prophet than philosopher. For the moment, he writes, the educational art of tempering men's souls was a task "left to poets or rhetorical philosophers." His book reflects that belief, making doubt on his own appeal to reason. Ultimately, Bloom's diagnosis of the life of the university is more convincing than his prescription for curing the society to which it belongs.

—TYCHO HANSON

## The passions of a royal star

GRACE: THE SECRET LIVES OF A PRINCESS

By James Spada

(Doubleday, 320 pages, \$24.95)

Born of royal or of their own, celebrity-worshipping Americans have for generations viewed Hollywood stars as the status of royalty. That sense of rank was literally confirmed back in 1926, when someone told Grace Kelly of Philadelphia married Prince Rainier of Monaco—a country smaller than New York's Central Park—and least from the role of mere film star to bona fide princess, in which the role of common democrat of public opinion often holds sway.

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yes, Ring Caruso, Gary Cooper and William Holden are hardly shocking. Far more interesting is Kelly's prominent Irish-American family. Her brother John (Kell) Kelly might have been mayor of Philadelphia had his mother not been so keen to campaign against him because he once dated a transsexual.

Grace's father, the imposing Jack Kelly—an Olympic power and self-made millionaire—was a local patriarch when the young Grace came to America. After she won a 1954 Academy Award for her starring role in *The Country Girl*, Jack Kelly told a reporter, "Of the four children, mine the last I expected to support one in my old age." That strained relationship, Spada argues, shaped her love life. "Her father simply left her with an obsessive attachment to older, accomplished, authoritative 'daddy figures'."

In his introduction, Spada claims that he never understood to be a hated job on the princess, he merely sought to reveal her complexity. Her obvious secret simply adds a little sexual life to her already well-documented life.

—YVONNE COE



Kelly smouldering



Scene from *The Final Cut* with Robert White (center): a revolution for the board

## VIDEO

# A nation's home movies

John Grierson, the passionate propagandist who founded the National Film Board (NFB) and coined the term "documentary," died in 1972—before the dawn of home video. But the spread of video cassette recorders in North American homes has given new meaning to the advice Grierson offered film-makers in 1940: "You must discover or go where the people are." Since then, the NFB has often had trouble locating its founder's counsel. Despite the film board's glowing reputation, too many of its films have failed to find their potential audience, languishing unused in the relative obscurity of leading libraries. But a new video rental program could revolutionize the board's role. More than 800 NFB documentaries, dramas and animated films are now available on cassette through 26 NFB offices across the country for a modest rental fee of \$2 a day, viewers in remote areas may order by mail. As well, 50 new titles will be commercially available for rental in normal video outlets. And the catalogue is expected to grow by 200 titles each year.

To emphasize its traditional role as a responsible educator, the board has highlighted the launch of its video program with a new release, *Escape Levy* (Universal Home Video). In feature SCTV alumni Levy as a self-confessed "walking disaster" who lives in overhead bunkers and runs his electric shaver in the sink. In turn, Levy pre-

sents three award-winning NFB cartoons—each offering safety tips in the form of an entertaining morality tale. Respectably amusing is *Hot Stuff*, originally made in 1971 by Yugoslavian director Rado Grcic, which portrays a newsman discovering fire as God's voice proclaims: "Although it will serve you faithfully, it will devour half of mankind if given the chance. Now



Levy: safety education from a walking disaster

go and have a hot time."

The catalogue also includes classic NFB releases, ranging from Claude Jutra's 1971 drama *Amélie* (Close to Home) to more recent and controversial *76/76* (Fidelio), first aired as CBC in 1985, provides a ringside view of Canadian Auto Workers leader Robert White baiting his American adversaries and

talking a blue streak. Also available is *Way, Guyton* (Byron's provocative seven-part series about military failure)—a fitting sequel to the wartime propaganda that launched the NFB in 1940—and *Adolescent* (a new to know why the U.S. Justice department branded the satirist's discovery *It's Not A Love Story* has been omitted from the catalogue). Explained NFB spokesman Gerry Flahive, "Because it contains hard-core footage, it opens the gates to people copying it and doing all sorts of weird things with it."

Taking a more wholesome approach to sexual issues, the NFB's *Feeling No, Feeling No* is suitable for the whole family. An educational video about the sexual abuse of children, the tape is a frank guide to street-probing. Clearly divided into sections for parents and children, it features adults acting out awkward dramas before a classroom audience of youngsters. It even includes a catchy theme song with the refrain, "My body's nobody's body but mine! You run your own body, let me run mine!" Although it seems sad that such instruction is necessary, the tape at least speaks out with sensitivity.

The NFB's strength is not limited to educational film-making; many of its most imaginative works are cartoons and dramatic shorts of playful genius. This year the board plans to release more than 25 compilations of short videotapes on video cassette—the most ambitious being a nine-tape series covering the animated films of Norman McLaren, who died last January.

It is unlikely that the film board will replace Hollywood productions among home video's Top 10. But at least one NFB video has scored impressive sales. *Feeling No, Feeling No* has sold 7,500 copies to individuals and institutions. In turn, it benefited from an unusual publicity play: last year 38 million copies of a promotional brochure were mailed out with family allowance cheques. Combining the influence of video technology and the reach of social services, the NFB has begun to fulfill the Grierson dream to ways he would scarcely have envisaged.

—BRIAN D. JOHNSON in Toronto

## FILMS: BRIEF ENCOUNTERS

### ROBOCOP

Directed by Paul Verhoeven

The ultratech RoboCop is built on hardware, light on software. His hero Officer Murphy is Murphy, a former police officer who is shot to death by a gang of thugs, then rebuilt into a supercop prototype by a military arms manufacturer. With his shiny metallic armor and pulsating gun, RoboCop can deflect bullets and bend the words of even a high-tech Superman. Conveniently, Murphy has also retained his human memory, which prompts him to liberate his former partner, Lewis (Nancy Allen), from the clutches of justice.

Dutch director Paul Verhoeven (*The Fourth Man*) is at his best when dealing with the backwoods of a disorienting and amazing vision of a futuristic Detroit. The television news anchors that a midwest Star Wars warble has accidentally landed a disorienting, surreal, and somewhat lurid as commercials to advertise new, improved hearts. When it focuses on the future, RoboCop is razor-sharp and frightening. But despite all its pyrotechnical displays of blasting gunfire, the film hits its target only intermittently.

—LAWRENCE WOLKE

### SUMMER SCHOOL

Directed by Carl Reiner

For most of the madman, school is not and it is time to answer the call of the surf. But a few teenagers at the archetypically Californian Ocean Park High are stuck in a remedial summer English class, studying basic literacy with the school's gym teacher, Freddy Sheop (Mark Harmon of *T.V.'s St. Elsewhere*). "But I'm not a real teacher," protests Sheop. A school administrator

responds: "That's all right. These aren't real students." Director Carl Reiner, 62, a veteran of sophisticated comedies of the 1950s and 1960s (*How to Succeed in School*, *The Duck and the Gun*) has turned his comic talents to producing teen entertainers in *Summer School*, a subtle pun (sheep) on young people's shaggy dresses, fireworks explode indoors and a giddy good time is had by all.

Sheop, an short on motivation as his pupils, takes them on field trips to the beach. But eventually, aided by the beautiful-but-dedicated history teacher (Kirsten Alley), he turns out to have the right tutorial stuff. The film scores high marks in questionable taste: much of the humor revolves around Chaim, a student obsessed by pure movies. Still, the cast is highly likable, and many of the songs—including one of the longest trips in the washroom in high school history—were actually funny in *rehearsal*. School is a little bit of the self—and just as salty.

—PENELOPE YANG



Alley: a glibly good time

LA RAMBA  
Directed by Luis Valdez

FOR MANY ROCK fans, Feb. 3, 1935, will be remembered as the day the music died. On that date, an early morning plane crash in an Iowa cornfield took the lives of three of rock's earliest stars: Buddy Holly, J.P. (The Big Bopper) Richardson and Ritchie Valens (born Richard Valenzuela). Holly, a pioneer of rock, remains a key influence in contemporary music. The Big Bopper was best-known for his rockabilly classic "Chastity

Love. But Valens, only 27 when he died, was perhaps rock's brightest hope. A young Chicano from Los Angeles, he rose quickly to stardom with hits as *Donna* and *The Big Bopper* captured the spirit of one of rock's young heroes.

Death hangs over the story from the opening shot, a scene of falling debris from a plane crash that kills a student in a schoolyard below. But Valens' appearance recurs frequently. The unlikely student was Valens' boyhood friend, and Valens, too, fell destined to die in an air disaster. Director-writer Luis Valdez's script encapsulates its portrait of the Valenzuela family—Richard's single mother, his long-lost brother, his half-brother. The relationship between Valens and the man who discovered him, record producer Bob Keane (Joe Pantoliano), seems genuine. But with a moving performance by actor Philip Baker Hall as the sibilant Latin rockers Los Lobos, who bring Valens' sound back to life—*La Bamba* is a refreshing blast from the past.

—NICOLAS JENNINGS

## MAGNAN'S BEST SELLER LIST

### FICITION

1. *Murphy, King* (1)
2. *Race, Jones* (2)
3. *The Thursday Child, Henderson* (3)
4. *The Hunchback of Notre-Dame* (4)
5. *The Hobbit, Tolkien* (5)
6. *The Hobbit, Tolkien* (6)
7. *Dark Grail's Holistic Detective Agency, Adams* (7)
8. *Destiny, Freeman* (8)
9. *Southbound, Freeman* (9)
10. *Wilder, Hines, Thomas* (10)

### NONFICTION

1. *More Advice from the Black Board, Hall* (1)
2. *Love, Holes, Dymally* (2)
3. *Desmond* (3)
4. *On the Edge, Hines* (4)
5. *The Different View, Lewis* (5)
6. *Clay, Davis, Marsh* (6)
7. *Lost Movie, Naylor* (7)
8. *Clay, Davis, Marsh* (8)
9. *Clay, Davis, Marsh* (9)
10. *Clay, Davis, Marsh* (10)

(1) *Portrait of a woman*  
—Compiled by Frances McNelly

# Bring on the backbenchers

By Allan Fotheringham

Television, as we know, is mostly terrible, an enormous misuse of a tremendous invention. It is nearly needless gossip, junk food for the eyes, a series of gaudy game shows and wretched soap—indeed the "weekend" that US television regulator Newton Minow labelled it years ago.

There is one thing television is occasionally good for: once every 14 years or so it turns out. It is good for politics and politicians at special times. Fourteen years ago, Americans—and Canadians—watched mesmerized as a small panel of unknown congressmen cut down to size the President. Gail of the Good Housekeeping House, who surrounded the crooked Richard Nixon, and became popular with figures like Senator Sam Ervin, with his own-page plunkings from Shakespeare, and a man named Spence, as was Howard Baker and a few others. They achieved national status through their TV exposure.

We now have a replay—another Republican president, Harding, he and his flunkies could operate above the law. The Oppenheimer hearings, with guest-to-guest coverage on the boob tube, demonstrates the use that television can be put to. Again, brilliant anonymous names have become familiar (and compelling) faces to untold millions of Americans and Canadians.

Who could not be impressed by the strange integrity and calm composure of Lee Hamilton of Ohio, before this arresting theatre scene a mere member of the House of Representatives? Who doesn't warm to the controlled inner fury of Senator Dan Rostenkowski, who left his right arm in Italy fighting for his country and slaps down the vengeful Willie Smith and his puppy lawyer? When lawyer Brendan Sullivan whined that he wasn't going "to sit here and fiddle" in this or that outrage, Inoué squashed him as he would a mosquito. "If you're going to listen, you'd better sit, Counsel, proceed."

There are equally unrecognized politicians hidden within the recesses of the

House of Commons' esteemed parliamentary tradition. The heavy-handed, out-of-date power of the cabinet above all prevents talented figures from all three parties from making a mark on public consciousness.

If the Ottawa system had the courage to give more power and exposure to Commons committees, one could see in such a televised hearing the courtesy taking note of an energetic little socialist called Ian Waddell—a star lawyer who has the unusual nature of a pit bull terrier (and whose Vancouver riding, inexplicably, is in danger of being



legislated out of existence). One can see the cynicism of Warren Allmand of Montreal, still fighting for the same causes ever since being dropped from a Trudeau cabinet, echoing the same conservative fervor that characterizes Senator Robert Stanbury of New Hampshire. There are too many faces (86) on this panel—so opposed to the seven that made Watergate so memorable—but some still stand out. There is the man who holds his tongue for a long time, then years with it. Representative Ed Boland of Massachusetts. He is 75 and, with a face sculpted from rock, looks 80. He first came to Congress in 1952. He shared an apartment for 24 years with a fellow Boston Irishman, speaker Tip O'Neill (whose family stayed in Boston), the two of them known locally as Washington's Odd Couple. He stayed single until he was 62, when he took to the stage a 20-year-old lawyer and they had four kids in six years. They broke the mould with this guy.

There is Senator George Mitchell,

who looks as if he could be from Madison Avenue in his home state, displaying the grandeur of Maine, where he really comes from. There is Louis Stokes of Ohio, who reminds Colonel North that he too fought in war, that his mother was a cleaning woman and one of her two sons ended up as the first black mayor of a major US city (Cleveland) and the other became a member of the House of Representatives and doesn't lecture me about patriotism, you little punk.

Television is a real setting reveals people—and it exposes them. Sheila Copps and her Star Pack gang in the televised Question Period probably did more to demonstrate to the public John Turner's lack of discipline over his mouth than anything else, long before his plummeting poll figures. The elegant Lucie Péron, an otherwise obscure-to-the-electorate Liberal backbencher from Montreal, would be a sensation in such a nationally televised inquiry. Liberal Brian Topp of Newfoundland, semantic sonarman of John Crosbie, would become a national icon in a similar circumstance.

Americans let it all hang out, letting the public see who is the first—the Gipperino hearings have revealed to be the unassuming senator from Utah, Orrin Hatch, a Republican supporter unopposed. Hatch doesn't seem to have heard that his President has filed the Supreme Court vacancy he so ardently desired.

The parliamentary system, supposed to require rigid party discipline, is being bypassed by the communications industry. We now spend more for the 30-second news clip than they do for serious work. Only when the Ottawa system allows their serious work—and serious listening of party lines—will we see the estimable backbenchers, good bosses and fine talents who are not allowed to flourish under the spotlight.

We all enjoy another country's scandals, but we don't have to wait for a television Gipperino of our own to see how our politicians show their face in the sun. The Commons has the means—if it has the courage—to show Canadians our best, in all parties.



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